

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

| | | |
|--|---|-------------------------|
| THE RIVERWALK SEAFOOD GRILL INC, |) | |
| D/B/A RIVERSIDE BANQUETS, individually |) | |
| And on behalf of all other similarly situated |) | |
| |) | |
| Plaintiffs, |) | |
| |) | Case No. 20-3768 |
| v. |) | |
| |) | Jury Trial |
| TRAVELERS CASUALTY INSURANCE |) | |
| COMPANY OF AMERICA |) | |
| |) | |
| Defendant. |) | |

CLASS ACTION COMPLAINT

NOW COMES, THE RIVERWALK SEAFOOD GRILL INC., doing business under the assumed name RIVERSIDE BANQUETS (“Plaintiff” or “Riverside”) individually and on behalf of all others similarly situated brings this CLASS ACTION COMPLAINT against TRAVLERS CASUALTY INSURANCE COMPANY OF AMERICA (“Travelers”) and states as follows:

INTRODUCTION

1. Plaintiff individually, and behalf of all other similarly situated are the are owner and operator of business in Kane County Illinois, ho have been forced, by recent orders issued by the State of Illinois, to cease their operations—through no fault of their own—as part of the State’s efforts to slow the spread of the COVID-19 global pandemic. The closures mandated by these orders present an existential threat to these small, local businesses throughout the country.

2. To protect their businesses from situations like these, which threaten their livelihoods based on factors wholly outside of their control, Plaintiffs obtained business

interruption insurance from Traveler's In blatant breach of its insurance obligations that it voluntarily undertook in exchange for Plaintiffs' premium payments, Traveler's has denied Plaintiffs' claims arising from the State-ordered interruption of their business.

3. As a result, Plaintiffs now bring this action against Traveler's for its failure to honor its obligations under commercial business owners insurance policies issued to Plaintiffs, which provide coverage for losses incurred due to a "necessary suspension" of their operations, including when their businesses are forced to close due to a government order. ("Civil Authority Coverage")

4. On March 15, 2020, during the term of the policies issued by Traveler's to Plaintiffs, Illinois Governor Pritzker issued an order first closing all restaurants, bars, and movie theaters to the public in an effort to address the ongoing COVID-19 pandemic. A few days later, on March 20, 2020, Governor Pritzker ordered all "non-essential businesses" to close. The March 15 and March 20 orders are hereinafter collectively referred to as the "Closure Orders."

5. As a result of the Closure Orders, the Plaintiffs have been forced to halt ordinary operations, resulting in substantial lost revenues.

6. But despite Traveler's express promise in its policies to cover the Plaintiffs' business interruption losses when the government forces them to close, Traveler's has issued blanket denials to Plaintiffs for any losses related to the Closure Orders.

7. Traveler's continually asserts that Plaintiffs' losses are not covered, based on the assertion that the "actual or alleged presence of the coronavirus," which led to the Closure Orders that prohibited Plaintiffs from operating their businesses, does not constitute "direct physical loss." See "Exhibit A."

8. But Traveler's conclusory statement that the actual or alleged presence of a substance like COVID-19 does not result in property damage is contrary to the law in Illinois.

Illinois courts have consistently held that the presence of a dangerous substance in a property constitutes “physical loss or damage.” See, e.g., *Bd. of Educ. of Twp. High Sch. Dist. No. 211 v. Int’l Ins. Co.*, 720 N.E.2d 622, 625–26 (Ill. Ct. App. 1999), as modified on denial of reh’g (Dec. 3, 1999).

9. Thus, Traveler’s wholesale, cursory coverage denials are arbitrary and unreasonable, and inconsistent with the facts and plain language of the policies it issued. These denials appear to be driven by Traveler’s desire to preempt its own financial exposure to the economic fallout resulting from the COVID-19 crisis, rather than to initiate, as Traveler’s is obligated to do, a full and fair investigation of the claims and a careful review of the policies they sold to Plaintiffs in exchange for valuable premiums.

I. THE PARTIES

Plaintiff

10. Plaintiff The Riverwalk Seafood Grille, Inc. is a corporation organized under the laws of Illinois, with its principal place of business in Kane County, Illinois. Plaintiff is doing business under the Assumed Name Riverside Banquets and is an Additional Insured under the Policy. See “Exhibit B”. Plaintiff hosts weddings, corporate events, and other special events serving food and beverages.

Defendant

11. Defendant Traveler’s is an insurance company organized under the laws of the State of Connecticut, with its principal place of business in Hartford Connecticut Illinois.

II. JURISDICTION AND VENUE

12. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332 because Defendant and at least one member of the Class are citizens of different states and because: (a) the

Class consists of at least 100 members; (b) the amount in controversy exceeds \$5,000,000 exclusive of interest and costs; and (c) no relevant exceptions apply to this claim.

13. This Court has personal jurisdiction over Traveler's pursuant to the Illinois "long arm statute," 735 ILCS 5/2-209, because Traveler's has submitted to jurisdiction in this state by: (a) transacting business in Illinois; (b) contracting to insure a person, property or risk located within Illinois at the time of contracting; and (c) making a contract substantially connected with Illinois. See 735 ILCS 5/2-209(1), (4), (7).

14. In addition, Traveler's exercises substantial, systematic and continuous contacts with Illinois by doing business in Illinois, serving insureds in Illinois, and seeking additional business in Illinois.

15. This Court has jurisdiction to grant declaratory relief under 28 U.S.C. § 2201 because an actual controversy exists between the parties as to their respective rights and obligations under the Policy with respect to the loss of business arising from the civil authority events detailed below.

16. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omission giving rise to Plaintiffs' claims occurred within the Northern District of Illinois.

III. FACTUAL BACKGROUND

17. Traveler's issued Policy #YO630-0K557677 for the Policy Period of 1/1/20 to 1/1/21 to the Shodeen Group LLC and numerous Additional Insureds including Plaintiff. See Exhibit A

18. The Policy Provided the following coverages:

DELUXE BUSINESS INCOME (AND EXTRA EXPSPENSE) COVERAGE FORM

A. COVERAGE

We will pay for:

- The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- The actual Extra Expense you incur during the "period of restoration"; caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at page 1 (emphasis added).

* * * * *

4. Additional Coverages

c. Civil Authority

- When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:
- Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than 100 miles from the damaged property; and
- The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at pages 2-3 (emphasis added).

* * * * *

5. Coverage Extensions

b. Ingress or Egress

- (1) You may extend the insurance provided by this Coverage Form for:

- (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (b) The actual Extra Expense you incur during the "period of restoration"; to apply to the actual amount of such loss of Business Income and Extra Expense that you incur when ingress to or egress from the described premises is prevented (other than as provided in the Civil Authority Additional Coverage).
- (2) The prevention of ingress to or egress from the described premises must be caused by direct physical loss or damage by a Covered Cause of Loss to property that is away from, but within 1 mile of the described premises, unless a different number of miles is shown in the Declarations. . . .

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at pages 5-6

Closure Orders Throughout the United States and World

19. Closure Orders were also issued by local, state, provincial or national jurisdictions of Class Members throughout the United States. A non-comprehensive list, for illustration, includes the following states and countries where Class Members have Covered Properties:

- California, Connecticut, Florida, Georgia, Illinois, New Jersey, New York, Pennsylvania and Virginia; and

20. A major news outlet reported that, as of April 3, 2020, over 3.9 billion people had been asked or ordered to stay at home, from over 90 countries or territories.¹

The Impact of COVID-19 and the Closure Orders

21. The presence of COVID-19 caused direct physical loss or damage to Plaintiff's and the other Class Members' property, by impairing and damaging the property, and by causing a "suspension" of business operations during the "period of restoration".

22. The Closure Orders resulted from Covered Cause of Loss and caused losses by impairing access to and business functions of Plaintiff's and the other Class Members' Property.

¹ Alasdair Sandford, Coronavirus: Half of humanity now on lockdown as 90 countries call for confinement, EuroNews (April 3, 2020), <https://www.euronews.com/2020/04/02/coronavirus-in-europe-spain-s-death-toll-hits-10-000-after-record-950-new-deaths-in-24-hou>.

23. Upon information and belief, Class Members have had confirmed cases of COVID-19 at their properties and have had to take action to secure and preserve such properties. As of the filing of this Class Action Complaint, Plaintiff estimates that Class Members have suffered several hundreds of millions of dollars of Business Interruption losses alone. These losses are ongoing and could increase substantially depending on the length and ultimate severity of the pandemic and the government response in countries around the world.

24. Traveler's repudiation of coverage is wrongful. Any alleged requirement of direct physical loss of or damage to property" is satisfied by the impairment of the business function of Plaintiffs' and other Class Members' properties. Likewise, Traveler's cannot meet its burden to show that any exclusions apply to the Plaintiffs' Losses Due to the Coronavirus Pandemic and the Closure Orders.

25. On March 11, 2020, the World Health Organization declared that the emerging threat from the novel coronavirus—otherwise known as COVID-19—constituted a global pandemic.

26. Emerging research on the virus and recent reports from the CDC indicate that the COVID-19 strains physically infect and can stay alive on surfaces for at least 17 days, a characteristic that renders property exposed to the contagion potentially unsafe and dangerous. Other research indicates that the virus may linger on surfaces for up to four weeks in low temperatures.

27. In response to the pandemic, and the spread of the coronavirus in Chicago and throughout Illinois, Illinois Governor Pritzker issued Executive Order 2020-07 on March 15, 2020 requiring that all bars, restaurants, and movie theaters close to the public beginning on March 16, 2020 and continuing through March 30, 2020.

28. The continuous presence of the coronavirus on or around Plaintiffs' premises has rendered the premises unsafe and unfit for their intended use and therefore caused physical property damage or loss under the Policies.

29. Executive Order 2020-07 was issued in direct response to these dangerous physical conditions, and prohibited the public from accessing Plaintiffs' restaurants, thereby causing the necessary suspension of their operations and triggering the Civil Authority coverage under the Policies. Executive Order 2020-07 specifically states, "the Illinois Department of Public Health recommends Illinois residents avoid group dining in public settings, such as in bars and restaurants, which usually involves prolonged close social contact contrary to recommended practice for social distancing," and that "frequently used surfaces in public settings, including bars and restaurants, if not cleaned and disinfected frequently and properly, also pose a risk of exposure."

30. Governor Pritzker's March 20, 2020 Closure Order (Executive Order 2020-10) closing all "non-essential" businesses in Illinois, including all restaurants and movie theaters, likewise was made in direct response to the continued and increasing presence of the coronavirus on property or around Plaintiffs' premises.

31. Like the March 15, 2020 Closure Order, the March 20, 2020 Order prohibited the public from accessing Plaintiffs' restaurants, thereby causing the necessary suspension of their operations and triggering the Civil Authority coverage under the Policies.

32. As a result of the Closure Orders, the Plaintiffs have each suffered substantial Business Income losses and incurred Extra Expense. The covered losses incurred by Plaintiffs and owed under the Policies is increasing every day, but are expected to exceed \$10 million dollars. As a result of these catastrophic losses, many of the Plaintiffs have been forced to furlough their workers and may have to close some or all of their locations permanently.

33. Following the March 15, 2020 Closure Order, the Plaintiffs each submitted a claim to Traveler's requesting coverage for their business interruption losses promised under the Policies (collectively, the "Closure Order Claims").

34. Traveler's has denied each of the Closure Order Claims, either verbally or in writing. See "Exhibit A."

IV. CLASS ACTION ALLEGATIONS

35. Plaintiff brings this action pursuant to Rules 23(a), 23(b)(1), 23(b)(2), 23(b)(3), and 23(c)(4) of the Federal Rules of Civil Procedure, individually and on behalf of all others similarly situated.

36. Plaintiff seeks to represent a Class defined as all persons and entities in the United States with claims for Property Damage coverage and/or Deluxe Business Income (and Extra Expense Coverage), including persons and entities that:

- (a) incurred reasonable and necessary costs to temporarily protect or preserve insured property due to actual or immediately imminent insured direct physical loss or damage due to COVID-19; or
- (b) suffered a suspension of business related to COVID-19, at premises covered by the Policy; or
- (c) incurred Extra Expense that they would not have incurred if there had been no direct physical loss or damage to the insured property, or to temporarily continue as nearly normal as practicable the conduct of their business; or
- (d) sustained losses caused by action of a civil authority due to the Closure Orders; or
- (e) sustained losses caused by impaired ingress or egress due to COVID-19 or the Closure Orders; or

37. Excluded from the Class are Defendant and any of its members, affiliates, parents, subsidiaries, officers, directors, employees, successors, or assigns; governmental entities; and the

Court staff assigned to this case and their immediate family members. Plaintiff reserves the right to modify or amend the Class definition, as appropriate, during the course of this litigation.

38. This action has been brought and may properly be maintained on behalf of the Class proposed herein under the criteria of Rule 23 of the Federal Rules of Civil Procedure.

39. **Numerosity—Federal Rule of Civil Procedure 23(a)(1).** The members of the defined Class are so numerous that individual joinder of all Class Members is impracticable. While Plaintiff is informed and believes that there are thousands of members of the Class, the precise number of Class Members is unknown to Plaintiff but may be ascertained from Defendant's books and records. Class Members may be notified of the pendency of this action by recognized, Court-approved notice dissemination methods, which may include U.S. Mail, electronic mail, internet postings, and/or published notice.

40. **Commonality and Predominance—Federal Rule of Civil Procedure 23(a)(2) and 23(b)(3).** This action involves common questions of law and fact, which predominate over any questions affecting only individual Class Members, including, without limitation:

- (a) Traveler's issued the all-risk Policy in exchange for payment of premiums by Plaintiff and the Class;
- (b) whether the Class suffered a covered loss based on the Policy;
- (c) whether Traveler's wrongfully repudiated all claims based on COVID-19 and the Closure Orders;
- (d) whether Traveler's Property Damage – Deluxe Business Income (and Extra Expense) coverage applies to business losses caused by COVID-19;
- (e) whether Traveler's Business Interruption coverage applies to a suspension of business caused by the Closure Orders;
- (f) whether Traveler Extra Expense coverage applies to business losses caused by COVID-19 and the Closure Orders;

- (g) whether Traveler's Civil Authority coverage applies to a suspension of business due to the Closure Orders;
- (h) whether Traveler's Ingress/Egress coverage applies to business losses from impaired access due to COVID-19;
- (i) whether Traveler's has breached its contract of insurance through a blanket repudiation of all claims based on business interruption, business losses, costs or closures related to COVID-19 and the Closure Orders; and
- (j) whether Plaintiff and the other Class Members are entitled to an award of reasonable attorney fees, interest and costs.

41. **Typicality—Federal Rule of Civil Procedure 23(a)(3).** Plaintiff's claims are typical of the other Class Members' claims because Plaintiff and the other Class Members are all similarly affected by Defendant's refusal to pay under its Deluxe Business Income (and Extra Expense) Coverage Form, Civil Authority Coverage, and Ingress/Egress Coverage.. Plaintiff's claims are based upon the same legal theories as those of the other Class Members. Plaintiff and the other Class Members sustained damages as a direct and proximate result of the same wrongful practices in which Defendant engaged.

42. **Adequacy of Representation—Federal Rule of Civil Procedure 23(a)(4).** Plaintiff is an adequate Class representative because Plaintiff's interests do not conflict with the interests of the other Class Members whom they seek to represent, Plaintiff has retained counsel competent and experienced in complex class action litigation, including successfully litigating class action cases similar to this one, where insurers breached contracts with insureds by failing to pay the amounts owed under their policies, and Plaintiff intends to prosecute this action vigorously. The interests of the above-defined Classes will be fairly and adequately protected by Plaintiff and their counsel.

43. **Inconsistent or Varying Adjudications and the Risk of Impediments to Other Class Members' Interests—Federal Rule of Civil Procedure 23(b)(1).** Plaintiff seeks class-wide adjudication as to the interpretation, and resultant scope, of Defendant's Business Income (and Extra Expense) Coverage, Civil Authority Coverage, and Ingress/Egress Coverage. The prosecution of separate actions by individual Class Members would create an immediate risk of inconsistent or varying adjudications that would establish incompatible standards of conduct for the Defendant. Moreover, the adjudications sought by Plaintiff could, as a practical matter, substantially impair or impede the ability of other Class Members, who are not parties to this action, to protect their interests.

44. **Declaratory and Injunctive Relief—Federal Rule of Civil Procedure 23(b)(2).** Defendant acted or refused to act on grounds generally applicable to Plaintiff and the other Class Members, thereby making appropriate final injunctive relief and declaratory relief, as described below, with respect to the Class Members.

45. **Superiority—Federal Rule of Civil Procedure 23(b)(3).** A class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. Individualized litigation creates a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and the court system. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.

COUNT I
DECLARATORY JUDGMENT

46. Plaintiffs incorporate by reference, as if fully set forth herein, the facts set forth in paragraphs 1–45 above.

47. Plaintiff brings this Count individually and on behalf of the Class.

48. Each Policy is an insurance contract under which Traveler's was paid premiums in exchange for its promise to pay Plaintiff's losses for claims covered by the Policy, such as business losses incurred as a result of the government orders forcing them to close their businesses.

49. Plaintiffs have complied with all applicable provisions of the Policies, including payment of the premiums in exchange for coverage under the Policies.

50. Traveler's has arbitrarily and without justification refused to reimburse Plaintiffs for any losses incurred by Plaintiffs in connection with the covered business losses related to the Closure Orders and the necessary interruption of their businesses stemming from the COVID-19 pandemic.

51. An actual case or controversy exists regarding Plaintiffs' rights and Traveler's obligations under the Policies to reimburse Plaintiffs for the full amount of losses incurred by Plaintiffs in connection with Closure Orders and the necessary interruption of their businesses stemming from the COVID-19 pandemic.

52. Pursuant to 28 U.S.C. § 2201, Plaintiffs seek a declaratory judgment from this Court declaring the following:

- (a) Plaintiffs' losses incurred in connection with the Closure Orders and the and the necessary interruption of their businesses stemming from the COVID-19 pandemic are insured losses under the Policies;
- (b) Traveler's has waived any right it may have had to assert defenses to coverage or otherwise seek to bar or limit coverage for Plaintiffs' losses by issuing blanket coverage denials without conducting a claim investigation as required under Illinois law; and
- (c) Traveler's is obligated to pay Plaintiffs for the full amount of the losses incurred and to be incurred in connection with the covered business losses related to the Closure Orders during the four-week indemnity period and the necessary interruption of their businesses stemming from the COVID-19 pandemic.

COUNT II:
BREACH OF CONTRACT

53. Plaintiffs incorporate by reference, as if fully set forth herein, the facts set forth in paragraphs 1–45 above.

54. Plaintiff brings this Count individually and on behalf of the Class.

55. Each Policy is an insurance contract under which Traveler’s was paid premiums in exchange for its promise to pay Plaintiffs’ losses for claims covered by the Policy, such as business losses incurred as a result of the government orders forcing them to close their businesses.

56. Plaintiffs have complied with all applicable provisions of the Policies, including payment of the premiums in exchange for coverage under the Policies, and yet Traveler’s has abrogated its insurance coverage obligations pursuant to the Policies’ clear and unambiguous terms.

57. In the Policy, Traveler’s agreed to pay for its Insureds “actual loss of Business Income due to the ‘necessary’ suspension of your ‘operations’ during the ‘period of restoration’”.

58. A recoverable Business Income loss is “Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred, plus continuing normal operating expenses incurred including payroll.

59. The Closure Orders and/or COVID-19 caused direct physical loss and damage to the property of Class Members, requiring suspension of operations at their property. The Losses thus triggered the Business Income loss provision of the Policy.

60. By denying coverage for any business losses incurred by Plaintiffs in connection with the Closure Orders and the COVID-19 pandemic, Traveler’s has breached its coverage obligations under the Policies.

61. As a result of Traveler's breaches of the Policies, Plaintiffs have sustained substantial damages for which Traveler's is liable, in an amount to be established at trial.

COUNT III:
BREACH OF CONTRACT – EXTRA EXPENSE COVERAGE

62. Plaintiff repeats and realleges Paragraphs 1-45 as if fully set forth herein.

63. Plaintiff brings this Count individually and on behalf of the Class.

64. The Policy is a contract under which Plaintiff paid Traveler's premiums on behalf of the Class, in exchange for Traveler's promise to pay their losses for claims covered by the Policy.

65. In the Policy, Traveler's agreed to pay reasonable and necessary Extra Expense that its Insureds incur during the "period of restoration" that they would not have incurred if there had been no direct physical loss or damage to the property from a Covered Cause of Loss.

66. "Extra Expense" includes "expenses to avoid or minimize the "suspension" of business and to continue operations ..."

67. Due to COVID-19 and the Closure Orders, Class Members incurred Extra Expense at their Property.

68. Class Members have complied with all applicable provisions of the Policy and/or those provisions have been waived by Traveler's or Traveler's is estopped from asserting them, and yet Traveler's has abrogated its insurance coverage obligations pursuant to the Policy's clear and unambiguous terms.

69. By repudiating coverage for any business losses incurred by the Class in connection with the Closure Orders and the COVID-19 pandemic, Traveler's has breached its coverage obligations under the Policy.

70. As a result of Traveler's breach of the Policy, the Class has sustained substantial damages for which Traveler's is liable, in an amount to be established at trial.

COUNT IV:
BREACH OF CONTRACT – CIVIL AUTHORITY COVERAGE

71. Plaintiff repeats and realleges Paragraphs 1-45 as if fully set forth herein.

72. Plaintiff brings this Count individually and on behalf of the Class.

73. The Policy is a contract under which Plaintiff paid Traveler's premiums on behalf of the Class, in exchange for Traveler's promise to pay their losses for claims covered by the Policy.

74. In the Policy, Traveler's agreed to pay for losses by its Insureds for losses sustained by action of civil authority that prohibits access to the property.

75. The Closure Orders triggered the Civil Authority provision of the Policy.

76. Class Members have complied with all applicable provisions of the Policy, and/or those provisions have been waived by Traveler's, or Traveler's is estopped from asserting them, and yet Traveler's has abrogated its insurance coverage obligations pursuant to the Policy's clear and unambiguous terms.

77. By repudiating coverage for any business losses incurred by the Class in connection with the Closure Orders and the COVID-19 pandemic, Traveler's has breached its coverage obligations under the Policy.

78. As a result of Traveler's breach of the Policy, the Class has sustained substantial damages for which Traveler's is liable, in an amount to be established at trial.

COUNT V:
BREACH OF CONTRACT – INGRESS/EGRESS COVERAGE

79. Plaintiff repeats and realleges Paragraphs 1-45 as if fully set forth herein.

80. Plaintiff brings this Count individually and on behalf of the Class.

81. The Policy is a contract under which Plaintiff paid Traveler's premiums on behalf of the Class, in exchange for Traveler's promise to pay their losses for claims covered by the Policy.

82. In the Policy, Traveler's agreed to pay for Ingress/Egress losses due to impairment of ingress to or egress to the described premises.

83. The Ingress/Egress coverage applies whether or not the Covered Property is damaged, "provided that such impairment is caused by direct physical loss or damage by a Covered Cause of Loss to property that is within a mile of the described premises."

84. The Closure Orders triggered the Ingress/Egress provision of the Policy.

85. Class Members have complied with all applicable provisions of the Policy, and/or those provisions have been waived by Traveler's, or Traveler's is estopped from asserting them, and yet Traveler's has abrogated its insurance coverage obligations pursuant to the Policy's clear and unambiguous terms.

V. **REQUEST FOR RELIEF**

WHEREFORE, Plaintiff, individually and on behalf of all Class Members, respectfully requests that the Court enter judgment in their favor and against Defendant as follows:

- (a) Entering an order certifying the proposed Class, as requested herein, designating Plaintiff as Class representative, and appointing Plaintiff's undersigned attorneys as Counsel for the Class;
- (b) Entering judgment on Counts II-V in favor of the Class and awarding damages for breach of contract in an amount to be determined at trial;
- (c) Entering declaratory judgment on Counts I in favor of the Class, as follows;

- i. Class Members' Property Damage, Deluxe Business Income (and Extra Expense) Property losses stemming from the COVID-19 pandemic are insured losses under the Policy;
 - ii. Class Members Business Income and Extra Expense losses, and their Civil Authority, and Ingress/Egress, losses incurred in connection with the Closure Orders and the necessary interruption of their businesses stemming from the COVID-19 pandemic are insured losses under the Policy, as are the expenses reasonably and necessarily incurred by the Class to reduce their suspension of business
 - iii. Traveler's is obligated to pay for the foregoing losses incurred and to be incurred by the Class related to COVID-19, the Closure Orders and the necessary interruption of their businesses stemming from the COVID-19 pandemic, and to pay the Class the expenses reasonably incurred by them to reduce their suspension of business;
- (d) Ordering Defendant to pay both pre- and post-judgment interest on any amounts awarded;
- (e) Ordering Defendant to pay attorneys' fees and costs of suit; and
- (f) Ordering such other and further relief as may be just and proper.

VI. JURY DEMAND

Plaintiff hereby demands a trial by jury on all claims so triable.

Dated: June 26, 2020

Respectfully submitted,

FOOTE, MIELKE, CHAVEZ & O'NEIL, LLC

/s/Robert M. Foote, Esq.

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EXHIBIT A



P.O. Box 650293
Dallas, TX 75265-0293
(877) TRAVCAT (872-8228)

SHODEEN GROUP LLC
17 NORTH FIRST STREET
GENEVA, IL 60134

5/13/2020

Insured: SHODEEN GROUP, L.L.C. And
As Per IL T8 00
Policy #: YO630-0K557677
Claim/File#: FMW7814 001H
Date of Loss: 3/15/2020
Underwriting Company: THE CHARTER OAK FIRE INSURANCE COMPANY

Dear Mr. Herman,

This letter follows our recent discussion regarding the above-referenced claim. We have reviewed both the information you provided and the terms of your client's policy with THE CHARTER OAK FIRE INSURANCE COMPANY (Travelers). Based on the foregoing, we have concluded that your policy does not provide coverage for your claimed loss of income. The reasons for our conclusion are set forth below.

The Claimed Loss

You originally presented a claim on behalf of your client for loss of income related to the Coronavirus (COVID-19) outbreak. During our discussion on 04/24/2020, you advised that the Governor of Illinois had issued an order that affected the operation of your client's business as part of the government's efforts to prevent the spread of the COVID-19 virus (Governmental Order). You reported The Herrington Inn & Spa located at 15 S. River Lane Geneva, IL 60134 (location 29 building 29 in the policy); owned by our policyholder was closed due to the Governor's order to prevent the spread of the Covid-19 virus. In addition to the Inn & Spa being closed the restaurant portion of this location is also closed to table service and the policyholders are not providing to-go or pick-up service. You advised that your clients sustained a loss of income as a result of the Governmental Order. There is no report of any direct physical damage to the insured premises.

We received an e-mail from you on 05/13/2020 in which you reported your clients are now making a claim for 35 N. River Lane Geneva, IL 60134 (location 28 building 28 in the policy). You reported in the e-mail the insured's have the same situation at this location as they did with the 15 S. River Lane Geneva, IL 60134 location. This location is a Banquet facility that has been closed due to the Governors Order. You confirmed the insured's own this property; the banquet facility is closed, and the insureds are not providing to-go or pick-up service related to the restaurant portion of this banquet facility. There is no report of any physical damage at this location.

Your client's policy includes three coverages that, under certain circumstances, may afford coverage for a loss of income. The first is Business Income and Extra Expense coverage, the second is Civil Authority coverage and the third is Ingress or Egress coverage. Each is discussed separately below.

Business Income and Extra Expense Coverage

Under certain circumstances, their policy's Business Income and Extra Expense coverage may afford coverage for a loss of income. That coverage provides in pertinent part:

A. COVERAGE

We will pay for:

- The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- The actual Extra Expense you incur during the "period of restoration";

caused by *direct physical loss of or damage to property* at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be *caused by or result from a Covered Cause of Loss*.

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at page 1 (emphasis added).

The presence or possible presence of the COVID-19 virus does not constitute "direct physical loss of or damage to property" within the meaning of your client's policy. Because the limitations on your client's business operations were the result of the Governmental Order, as opposed to "direct physical loss of or damage to property at premises which are described," as listed on the IL T0 03 location schedule of your policy this Business Income and Extra Expense coverage does not apply to your client's loss.

In addition, in order for this coverage to apply, the suspension of operations must have been caused by direct physical loss of or damage that resulted from a Covered Cause of Loss. As stated on page 2 of Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12), Covered Causes of Loss are "RISKS OF DIRECT PHYSICAL LOSS" that are not otherwise limited or excluded. Your client's policy includes, among other exclusions, an exclusion for "loss or damage caused directly or indirectly by" "any virus" -- such as the COVID-19 virus -- "that induces or is capable of inducing physical distress, illness or disease." As explained in more detail below in the discussion of policy exclusions, your claim does not implicate a Covered Cause of Loss, as is required in order for Business Income and Extra Expense coverage to apply.

Civil Authority Coverage

Their policy's Civil Authority coverage provides in pertinent part:

4. Additional Coverages

c. Civil Authority

(1) When a *Covered Cause of Loss* causes *damage to property* other than property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur caused by action of civil authority that *prohibits access to the described premises*, provided that both of the following apply:

(a) *Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage*, and the described premises are within that area but are not more than 100 miles from the damaged property; and

(b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of *the Covered Cause of Loss* that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at pages 2-3 (emphasis added).

Thus, there are three elements, *all of which* must be satisfied, in order for Civil Authority coverage to apply. We will address each of those elements as they relate to your client's claim:

1. A civil authority must prohibit access to the described premises: We have reviewed the Governmental Order.

This requirement for Civil Authority coverage is not satisfied. The Government may have limited the operations that may be performed at your client's premises, but it did not completely prohibit access to the premises.

2. The prohibited access to the described premises must be due to damage to property at other locations, other than the described premises, that are within 100 miles of the described premises: This requirement for Civil Authority coverage is not satisfied. The presence or feared presence of the COVID-19 virus does not constitute "damage to property" within the meaning of your client's policy. The Governmental Order that affected your client's business was not issued due to "damage to property." It was issued as part of the government's efforts to slow the spread of the COVID-19 virus.

3. The damage to property must be caused by or resulting from a Covered Cause of Loss: This requirement for Civil Authority coverage is not satisfied. Your client's policy includes, among other exclusions, an exclusion for "loss or damage caused directly or indirectly by" ... "any virus" -- such as the COVID-19 virus -- "that induces or is capable of inducing physical distress, illness or disease." As explained in more detail below in the discussion of policy exclusions, your claim does not implicate a Covered Cause of Loss.

Therefore, because not all of the requirements that must be satisfied in order for Civil Authority coverage to apply are present in your client's claim, Civil Authority coverage does not apply.

Ingress or Egress Coverage

Their Policy's Ingress or Egress Coverage provides in relevant part:

5. Coverage Extensions

b. Ingress or Egress

(1) You may extend the insurance provided by this Coverage Form for:

- (a)** The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- (b)** The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur when *ingress to or egress from the described premises is prevented* (other than as provided in the Civil Authority Additional Coverage).

(2) The prevention of ingress to or egress from the described premises must be caused by *direct physical loss or damage* by a *Covered Cause of Loss* to property that is away from, but within 1 mile of the described premises, unless a different number of miles is shown in the Declarations. . . .

See Deluxe Business Income (and Extra Expense) Coverage Form (DX T1 01 11 12) at pages 5-6 (emphasis added).

There is no Ingress or Egress coverage for your client's business income loss because there was no prevention of ingress to or egress from your client's premises. Additionally, there has been no direct physical loss or damage by a Covered Cause of Loss to property away from, but within 1 mile of the described premises.

Policy Exclusions

As noted above, their policy's Business Income and Extra Expense coverage, Civil Authority coverage and Ingress or Egress coverage all require damage to property caused by a Covered Cause of Loss. "Covered Causes of Loss is defined, in relevant part to mean "RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded . . . in: **a.** Section **C.** Exclusions . . . of the Deluxe Property Coverage Form; or **b.** Section **B.** Exclusions and Limitation of the Deluxe Business Income (And Extra Expense) Coverage Form . . ." See Deluxe Business Income (and Extra Expense Coverage Form (DX T1 01 11 12) at page 2.

Their policy's Deluxe Property Coverage Form, provides in relevant part:

C. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. Exclusions **C.1.a** through **C.1.i.** apply whether or not the loss event results in widespread damage or affects a substantial area.

h. Ordinance or Law

- (1) The enforcement of any ordinance or law:
 - (a) Regulating the construction, use or repair of any property; or
 - (b) Requiring the tearing down of any property, including the cost of removing the debris.
- (2) This exclusion, Ordinance or Law, applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged;

j. Virus or Bacteria

- (1) Any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- (2) With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to "pollutants".

2. We will not pay for loss or damage caused by or resulting from any of the following:

b. Consequential Loss

- (1) Delay, loss of use or loss of market; or
- (2) Loss of business income or extra expense except as specifically provided in this Coverage Part.

i. Other Types of Losses

- (7)** The following causes of loss to personal property:

- (d)** Contamination by other than "pollutants";...

- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.**

- b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body....

See Deluxe Property Coverage Form (DX T1 00 11 12) at pages 18-25.

The virus exclusion expressly applies to the Business Income and Extra Expense coverage, Civil Authority coverage and Ingress or Egress coverage, as the COVID-19 virus is a virus capable of inducing physical distress, illness or disease. Thus, your client's policy expressly excludes coverage for your claimed loss of business income.

The "Ordinance or Law" exclusion quoted above applies because your client's claimed loss of business income was caused by the Governmental Order "regulating the . . . use" of your client's property. The "loss of use" exclusion" quoted above also applies because your client's claimed loss of business income was caused by the partial loss of your client's business premises.

To the extent that your client's claimed loss of business income was caused by the loss of a market for their products and/or services, the "loss of market" exclusion quoted above also applies. To the extent that your client's claim that their loss is caused by or results from alleged contamination of their premises and/or, with respect to the Civil Authority provision, alleged contamination of property at other locations within 100 miles of your premises, their claimed loss of business income is also excluded by the exclusion for loss caused by or resulting from "contamination by other than 'pollutants'" quoted

above. The “Acts or decisions” exclusion quoted above also applies to the extent that your client’s claimed loss of business income was caused by an act or decision of the management of their business or any governmental body.

Please note that there may be other terms and conditions that apply to your client’s claimed loss. Nothing in this letter shall, nor is it intended to, waive any policy terms or conditions that Travelers determines are now or in the future relevant to this claim. Travelers expressly reserves the right to deny coverage for any valid reason under the policy or at law.

This decision is based on the currently known information. If you are aware of any new or different information or documentation that might lead us to reconsider our decision, please contact me immediately.

Please review the **Legal Action Against Us** condition of your policy as it contains important information about the period of time in which you may bring legal action. Enclosed with this letter are additional disclosures that may be required in your jurisdiction.

Although we regret that we were unable to be of additional assistance to you, we hope that this letter provides you with a clear understanding of the basis for our conclusion that this loss is not covered.

If you have any questions, please contact us at 1-877-872-8228 or NCcenter@travelers.com.

Sincerely,

Andrew Amadio
Claim Professional

Phone: (877) 872-8228
Fax: (800) 688-1493
Email: nccenter@travelers.com

CC: AJ Gallaher RMS
2850 Golf Road
Rolling Meadows, IL 60008

Enclosure

STATE DISCLOSURES

California

The State of California requires us to provide the following information.

- Subrogation: We will not pursue recovery of the damages from any parties that may be responsible for the claimed loss - pursuing this would be your responsibility.
- If you believe all or part of the claim has been wrongfully denied or rejected, you may have your claim reviewed by the California Department of Insurance, Consumer Services Division, 300 South Spring Street, South Tower, Los Angeles, CA 90013, (800-927-4357).
- Suit Limitation: Please review the **Legal Action Against Us** condition which can be found in the DELUXE PROPERTY COVERAGE FORM (DX T1 00 11 12), page number 34. This condition states, in part, that the time limit for bringing action is 2 years after the date of loss.

Please note the time between the date this claim was reported to us and the date of a denial of coverage is not included in the Suit Limitation period. Please understand that we cannot give advice regarding your legal rights. If you have questions regarding the time within which a lawsuit may be brought against us, or any other questions about legal rights regarding the policy or this claim, you may wish to seek legal counsel at your own expense.

Connecticut

The State of Connecticut requires us to provide the following information.

Suit Limitation: Please review the **Legal Action Against Us** condition, which can be found in the DELUXE PROPERTY COVERAGE FORM (DX T1 00 11 12), page number 34. This condition states in part that the time limit for bringing action is 2 years after the date of loss.

Please note that if your claimed loss occurred over a period of time rather than on one specific date, the "date of loss" for purposes of the Suit Against Us provision may not be the date of loss that may be shown on correspondence you receive from us regarding your claim.

Also, please understand that we cannot give advice regarding your legal rights. If you have questions regarding the time within which a lawsuit may be brought against us or any other questions about legal rights regarding the policy or your claim, you may wish to seek legal counsel at your own expense.

If you do not agree with this decision, you may contact the Division of Consumer Affairs within the Insurance Department at the Connecticut Insurance Department, Consumer Affairs Division, P.O. Box 816, Hartford, CT 06142-0816 or by telephone: (800) 203-3447 (Connecticut only); (860) 297-3900 (Hartford area or outside of Connecticut). You may contact the Division by e-mail at ctinsdept.consumeraffairs@po.state.ct.us.

Illinois

The State of Illinois requires us to provide the following information.

Part 919 of the Rules of the Illinois Department of Insurance requires that our company advise you that, if you wish to take this matter up with the Illinois Department of Insurance, it maintains a Consumer Division in Chicago at 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603 and in Springfield at 320 West Washington Street, Springfield, Illinois 62767.

Maryland

The State of Maryland requires us to provide the following information.

Having received notice of your claim, we are required by Maryland law to advise you there may be a statute of limitations applicable to claims arising out of the insurance contract. Other states laws where applicable may vary.

Nebraska

The State of Nebraska requires us to provide the following information.

We are also required to advise you that you may have your claim reviewed by the Nebraska Department of Insurance at P.O. Box 82089, Lincoln, NE 68501-2089 (Tel: 402-471-2201 or Toll Free Hotline: 1-877-564-7323).

State of New Hampshire.

Please review the **Legal Action Against Us** condition of your policy as it contains important information about the period of time in which you may bring legal action. In addition, please be aware that any action based upon a denial of coverage shall be barred by law if not commenced within 12 months from the date of our written denial of coverage.

The State of New Hampshire requires us to provide the following information.

We will, of course, be available to you to discuss the position we have taken. You may reach us toll free at 1-877-872-8228. If you are a New Hampshire resident; if your policy insures property located in New Hampshire; or if you have been injured/your property has been damaged by a New Hampshire resident and you wish to take this matter up with the New Hampshire Insurance Department, it maintains a consumer services division to assist consumers with complaints at 21 South Fruit Street, Suite 14, Concord, NH, 03301. The New Hampshire Insurance Department can be reached, toll free, by dialing 1-800-852-3416.

New Jersey

The State of New Jersey requires us to provide the following information.

**NOTICE
CLAIMS INTERNAL APPEAL PROCEDURE**

**THE FOLLOWING APPEAL PROCEDURE IS AVAILABLE FOR ALL CLAIMS
EXCEPT
AUTOMOBILE INSURANCE PERSONAL INJURY CLAIMS**

New Jersey law and regulation provides claimants with the right to appeal disputed insurance claims when the "final" offered claim settlement remains unacceptable to the claimant. A disputed insurance claim is any offer of settlement made by the company which is, in whole or in part, rejected or refused by the claimant.

In the event that you wish to appeal a disputed claim, you must submit a written request to the company at the address shown below. All appeals will be rendered within 10 business days from receipt of the appeal provided that no additional information is required of the panel, and a final written determination will be mailed to you no later than 3 business days after the final determination is made.

Internal appeals must be sent by United Postal Service, via facsimile transmission or delivered personally to the following address to ensure prompt and accurate handling:

Travelers
Attn: Internal Appeals Panel
PO Box 430
Buffalo, NY 14240-0430
Fax: 888-256-3308

Your request must include the basis on which you believe the final offered claim settlement is unacceptable and include all supporting documentation you would like reviewed by the company's Internal Appeals Panel prior to rendering their determination.

After the hearing, if you are not satisfied with the final determination rendered by the Internal Appeals Panel, you may then appeal the decision to the Office of the Insurance Claims Ombudsman at the address below:

Office of the Insurance Claims Ombudsman
Department of Banking and Insurance
P.O. Box 472
Trenton, New Jersey 08625-0472
Telephone: (800) 446-7467
Telefax: (609) 292-2431
E-mail: Ombudsman@dobi.state.nj.us

New York

Please note, your policy contains a suit limitation period of two years from the date of the loss in which to file suit regarding this claim.

The State of New York requires us to provide the following information.

“Should you wish to take this matter up with the New York State Department of Financial Services, you may file with the Department either on its website at <http://www.dfs.ny.gov/consumer/fileacomplaint.htm> or you may write to or visit the Consumer Assistance Unit, Financial Frauds and Consumer Protection Division, New York State Department of Financial Services, at: One State Street, New York, NY 10004; One Commerce Plaza, Albany, NY 12257; 1399 Franklin Avenue, Garden City, NY 11530; or Walter J. Mahoney Office Building, 65 Court Street, Buffalo, NY 14202.”

Rhode Island

The State of Rhode Island requires us to provide the following information:

We will be available to you to discuss the position we have taken. Should you, however, wish to contact the Rhode Island Department of Business Regulation, you may do so at the address listed below. In certain limited circumstances the Department may have jurisdiction pursuant to R.I. Gen. Laws. § 27-9.1-6 and therefore, you may be able to have the matter reviewed by the Department. The Department of Business Regulation does not have authority to settle or arbitrate claims, determine liability or order an Insurer to pay a claim. Rhode Island Department of Business Regulation, Insurance Division, 1511 Pontiac Avenue, Cranston, RI 02920. The Rhode Island Department of Business Regulation, Insurance Division can be contacted by telephone at (401)462-9520.

Vermont

Please review the **Legal Action Against Us** condition of your policy as it contains important information about the period of time in which you may bring legal action. In addition, please be aware that any action based upon a denial of coverage shall be barred by law if not started within one year after the occurrence causing loss or damage.

West Virginia

The State of West Virginia requires us to provide the following information.

We will, of course, be available to you to discuss the position we have taken but should you wish to review our decision with the West Virginia Office of the Insurance Commissioner (WVOIC) you can contact them by mail at Consumer Service Division PO Box 50540, Charleston, West Virginia 25305-0540 via their website at <http://www.wvinsurance.gov/> or toll free at 888-879-9842.

EXHIBIT B



Report Claims Immediately by Calling*
1-800-238-6225

*Speak directly with a claim professional
24 hours a day, 365 days a year*

*Unless Your Policy Requires **Written** Notice or Reporting

COMMERCIAL INSURANCE

A Custom Insurance Policy Prepared for:

**SHODEEN GROUP, L.L.C.
17 NORTH FIRST STREET
GENEVA IL 60134**

Presented by: A J GALLAGHER RMS



One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189
REAL ESTATE OWNERS
COMMON POLICY DECLARATIONS
ISSUE DATE: 01/11/20
POLICY NUMBER: Y-630-0K557677-COF-20

INSURING COMPANY:
THE CHARTER OAK FIRE INSURANCE COMPANY

1. NAMED INSURED AND MAILING ADDRESS:
SHODEEN GROUP, L.L.C. (AS PER IL T8 00)
17 NORTH FIRST STREET
GENEVA, IL 60134

2. POLICY PERIOD: From 01/01/20 to 01/01/21 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS
Premises Bldg.
Loc. No. No. Occupancy Address

SEE IL T0 03

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
DELUXE PROPERTY COVERAGE PART DECLARATIONS DX T0 00 11 12 COF
COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS CG T0 01 11 03 COF
LIQUOR LIABILITY COV PART DECLARATIONS CG T0 04 03 94 COF
EMPLOYEE BENEFITS LIABILITY COV PART DECLARATIONS CG T0 09 09 93 COF

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:
Policy Policy No. Insuring Company

DIRECT BILL
7. PREMIUM SUMMARY:
Provisional Premium \$ 174,332
Due at Inception \$
Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER:
A J GALLAGHER RMS (NI026)
2850 GOLF RD
ROLLING MEADOWS, IL 60008

COUNTERSIGNED BY:

Authorized Representative

DATE: _____

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

Dear Valued Policyholder:

We are excited to inform you about changes to the structure of your commercial general liability (CGL) insurance. We are implementing a new proprietary CGL Coverage Form that will update and further simplify our approach to that coverage. Our new CGL coverage form is more closely aligned with ISO's current CGL coverage form, and it includes numerous provisions previously contained in our proprietary mandatory endorsements and several coverage enhancements that have been provided in our commonly used XTEND™ endorsements. In addition, we have updated many of our CGL endorsements for improved readability and consistency across our portfolio of policy forms.

To complement these CGL policy form changes, we are also transitioning our Liquor Liability (LL) coverage to ISO's current LL coverage form, modified by a proprietary Liquor Liability Amendatory Endorsement. This transition will improve consistency and coordination of CGL and LL coverages.

Your new Travelers CGL policy will contain coverage terms and conditions substantially similar to those in your expiring Travelers CGL policy. Also, in order to make this transition to our new proprietary policy forms as easy as possible for you, we will adjust any claims for CGL coverage under your new policy based upon the terms and conditions of either your expiring policy or your new policy, **whichever are broader**. Likewise, if your expiring policy includes LL coverage and you are renewing that coverage with us, we will adjust any claims for LL coverage under your new policy based upon the terms and conditions of either your expiring policy or your new policy, **whichever are broader**. However, this approach to adjustment of claims for CGL and LL coverage is **subject to the following exceptions:**

- Any differences in the insured locations or insurance schedules, or the identity of named insureds or additional insureds.
- Any reductions in coverage that have been requested by you or your agent or broker or to which you or your agent or broker have agreed during renewal negotiations, or any exposures you have elected to insure elsewhere.
- Any reduction in the amount of the limits of insurance shown in any Declarations or endorsement for your new policy from the amount shown for substantially similar coverage in any Declarations or endorsement for your expiring policy.
- Any increase in the amount of any deductible, self-insured retention, retrospective loss limitation, or coinsurance obligation shown in any Declarations or endorsement for your new policy from the amount shown for substantially similar coverage in any Declarations or endorsement for your expiring policy, or any change from a loss-sensitive to guaranteed-cost rating plan or vice versa.
- Any other exceptions shown below.

We will apply this approach to claims adjusted under your first new Travelers policy. Any claim adjusted under a subsequent Travelers policy will be adjusted based only upon the terms and conditions of that policy.

Please review your expiring and new Travelers policies carefully, retain your expiring policy, and contact your agent or broker if you have any questions about this letter. We appreciate your business and thank you for choosing to insure with us.

ADDITIONAL EXCEPTIONS:

"TO THE EXTENT THAT THESE EXCEPTIONS DIFFER FROM THOSE PREVIOUSLY PROVIDED IN ANY NOTICES REGARDING THIS POLICY, THE EXCEPTIONS LISTED ABOVE WILL CONTROL."



POLICY NUMBER: Y-630-0K557677-COF-20

EFFECTIVE DATE: 01-01-20

ISSUE DATE: 01-11-20

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

| | |
|----------------|--|
| IL T0 02 11 89 | COMMON POLICY DECLARATIONS |
| IL T8 01 10 93 | FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS |
| PN U3 20 04 19 | LIBERALIZATION LETTER-GL PRODUCT MODERN |
| IL T3 18 05 11 | COMMON POLICY CONDITIONS-DELUXE |
| IL T0 03 04 96 | LOCATION SCHEDULE |
| IL T8 00 | GENERAL PURPOSE ENDORSEMENT |

DELUXE PROPERTY

| | |
|----------------|--|
| DX T0 00 11 12 | DELUXE PROP COV PART DECLARATIONS |
| DX 00 01 07 94 | MORTGAGEE HOLDER SCHEDULE |
| DX 00 04 11 12 | TABLE OF CONTENTS - DELUXE PROP COV PART |
| DX T1 00 11 12 | DELUXE PROPERTY COVERAGE FORM |
| DX T1 01 11 12 | DELUXE BI (AND EE) COVERAGE FORM |
| DX T4 64 11 12 | ADDITIONAL INSURED-BUILDING OWNER |
| DX T4 76 11 12 | CONDO COMMERCIAL UNIT-OWNERS OPT COV |
| DX T4 77 11 12 | CONTINGENT BUILDING COVERAGE |
| DX T3 01 11 12 | CAUSES OF LOSS-EARTHQUAKE |
| DX T3 02 11 12 | CAUSES OF LOSS - BROAD FORM FLOOD |
| DX T3 19 11 12 | CAUSES OF LOSS-EQUIPMENT BREAKDOWN |
| DX T3 39 11 12 | DELUXE ORDINANCE OR LAW COVERAGE |
| DX T3 79 11 12 | LOSS PAYABLE PROVISIONS |
| DX T3 85 11 12 | UTILITY SERVICES-DIRECT DAMAGE |
| DX T3 86 11 12 | UTILITY SERVICES-TIME ELEMENT |
| DX T4 02 01 15 | FEDERAL TERRORISM RISK INSURANCE ACT DIS |
| DX T3 98 04 02 | ELECTRONIC VANDALISM LIMITATION ENDT |

COMMERCIAL GENERAL LIABILITY

| | |
|----------------|--|
| CG T0 01 11 03 | COML GENERAL LIABILITY COV PART DEC |
| CG T0 07 09 87 | DECLARATIONS PREMIUM SCHEDULE |
| CG T0 08 11 03 | KEY TO DECLARATIONS PREMIUM SCHEDULE |
| CG T0 34 02 19 | TABLE OF CONTENTS - COM GEN LIAB COV |
| CG T1 00 02 19 | COMMERCIAL GENERAL LIABILITY COV FORM |
| CG D2 36 11 03 | EXCLUSION-REAL ESTATE DEVELOPMENT ACT |
| CG D6 71 01 13 | LIMIT OF COV FOR DESIG NI TO DESIG PREM |
| CG 20 08 04 13 | ADDITIONAL INSURED - USERS OF GOLFMOBILE |
| CG 24 07 01 96 | PROD/COMPL OPERATIONS HAZARD REDEFINED |
| CG D2 46 04 19 | BLANKET AI-W/COMP OPS IF REQ BY CONTRACT |
| CG D4 67 02 19 | XTEND ENDORSEMENT FOR SERVICE INDUSTRIES |
| CG D2 43 01 02 | FUNGI OR BACTERIA EXCLUSION |
| CG D3 02 11 03 | EXCL-SPEC THERAPEUTIC/COSMETIC SERVICES |
| CG D4 21 07 08 | AMEND CONTRAC LIAB EXCL-EXC TO NAMED INS |
| CG D6 18 10 11 | EXCL-VIOLATION OF CONSUMER FIN PROT LAWS |



POLICY NUMBER: Y-630-0K557677-COF-20
EFFECTIVE DATE: 01-01-20
ISSUE DATE: 01-11-20

COMMERCIAL GENERAL LIABILITY (CONTINUED)

CG D1 42 02 19 EXCLUSION-DISCRIMINATION
CG D2 04 12 17 EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG D2 26 06 15 EXCLUSION - TOBACCO OR NICOTINE
CG D2 40 06 01 EXCLUSION - SILICA
CG D3 44 02 05 PROF SERV EXCLUSION-THERAP/COSM SERVICES

EMPLOYEE BENEFITS LIABILITY

CG T0 09 09 93 EMPLOYEE BENEFITS LIAB COV PART DEC
CG T0 43 01 16 EMPLOYEE BENEFITS LIAB TABLE OF CONTENTS
CG T1 01 01 16 EMPLOYEE BENEFITS LIABILITY COV FORM
CG F8 91 01 16 ILLINOIS CHANGES - EBL

LIQUOR LIABILITY

CG T0 04 03 94 LIQUOR LIABILITY COVERAGE PART DEC
CG T0 38 02 19 TABLE OF CONTENTS - LIQUOR LIABILITY
CG 00 33 04 13 LIQUOR LIABILITY COVERAGE FORM
CG D8 24 02 19 LIQUOR LIABILITY AMENDATORY ENDORSEMENT
CG 31 22 09 02 ILLINOIS CHANGES - LIQUOR LIABILITY
CG T0 11 07 86 LIQUOR DEC PREMIUM SCHEDULE

MULTIPLE SUBLINE ENDORSEMENTS

C = COMMERCIAL GENERAL LIABILITY
E = EMPLOYEE BENEFITS LIABILITY
L = LIQUOR LIABILITY

CG 02 00 01 18 IL CHANGES-CANCELLATION AND NONRENEWAL (C, E, L)

INTERLINE ENDORSEMENTS

IL T3 68 01 15 FEDERAL TERRORISM RISK INS ACT DISCLOSE
IL T4 12 03 15 AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 15 CAP ON LOSSES CERTIFIED ACT OF TERRORISM
IL 00 21 09 08 NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 47 09 11 ILLINOIS CHANGES - CIVIL UNION
IL 01 62 10 13 ILLINOIS CHANGES - DEFENSE COSTS
IL F0 15 01 18 IL CHANGES - CANCELLATION AND NONRENEWAL
IL T9 14 02 17 ILLINOIS CHANGES

COMMON POLICY CONDITIONS – DELUXE

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.

Cancellation will not affect coverage on any shipment in transit on the date of the cancellation. Coverage will continue in full force until such property is delivered and accepted.

5. If this policy or any Coverage Part is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS

1. We have the right but not obligated to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake related only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. PREMIUMS

1. The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums we pay.
2. We compute all premiums for this policy in accordance with our rules, rates, rating plans,

premiums and minimum premiums. The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. On each renewal continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

G. WHEN WE DO NOT RENEW

If we decide not to renew this policy we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 60 days before the expiration date.

H. DELUXE PROPERTY COVERAGE PART- REFERENCE TO FORMS AND ENDORSEMENTS

In some instances, the Deluxe Property Declarations may list endorsements included in the Deluxe Property Coverage Part that reference:

1. The Commercial Property Coverage Part;
2. The Commercial Inland Marine Coverage Part;
3. Commercial Property forms including, but not limited to, the following:
 - a. Building and Personal Property Coverage Form;
 - b. Business Income Coverage Form;
 - c. Commercial Property Conditions;
 - d. Causes of Loss – Special Form;
 - e. Causes of Loss – Earthquake Form.
4. Commercial Inland Marine Forms including but not limited to the Transportation Coverage – Special Form

Endorsements referencing the Commercial Property Coverage Part, Commercial Inland Marine Coverage Part, Commercial Property Forms, or Commercial Inland Marine Forms apply to the Deluxe Property Coverage Forms in the same manner as they apply to the Forms they reference.

I. INSURANCE UNDER TWO OR MORE COVERAGE PARTS

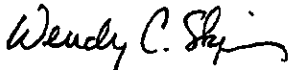
If two or more of this policy's Coverage Parts apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

- The Travelers Indemnity Company (IND)
- The Phoenix Insurance Company (PHX)
- The Charter Oak Fire Insurance Company (COF)
- Travelers Property Casualty Company of America (TIL)
- The Travelers Indemnity Company of Connecticut (TCT)
- The Travelers Indemnity Company of America (TIA)
- Travelers Casualty Insurance Company of America (ACJ)



Secretary



President

LOCATION SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 01-01-20 to 01-01-21.

| Loc. No. | Bldg. No. | Address | Occupancy |
|----------|-----------|---|-----------------|
| 1 | 1 | 407 & 477 S. THIRD ST ST & 447 S. THIRD ST GENEVA, IL 60134 | RETAIL STORE |
| 2 | 2 | 255 38TH AVENUE ST CHARLES, IL 60174 | RETAIL/OFFICE |
| 3 | 3 | 7 W. STATE ST GENEVA, IL 60134 | RETAIL/OFFICE |
| 4 | 4 | 77 N FIRST ST GENEVA, IL 60134 | OFFICE |
| 5 | 5 | 2071-2081 LINCOLN HIGHWAY ST CHARLES, IL 60174 | RETAIL/OFFICE |
| 6 | 6 | 902 S. RANDALL ROAD ST CHARLES, IL 60174 | RETAIL |
| 7 | 7 | 870 S. RANDALL ROAD ST CHARLES, IL 60174 | RETAIL |
| 8 | 8 | 401-417 WILLIAMSBURG DRIVE GENEVA, IL 60134 | RETAIL/OFFICE |
| 9 | 9 | 10 W STATE ST GENEVA, IL 60134 | RETAIL/OFFICE |
| 10 | 10 | 1797 W STATE STREET GENEVA, IL 60134 | RETAIL/OFFICE |
| 11 | 11 | 1803 W STATE STREET GENEVA, IL 60134 | RETAIL/OFFICE |
| 12 | 12 | 1795 W STATE STREET GENEVA, IL 60134 | RETAIL/OFFICE |
| 13 | 13 | 2039-2067 LINCOLN HIGHWAY GENEVA, IL 60134 | SHOPPING CENTER |

LOCATION SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 01-01-20 to 01-01-21 .

| Loc. No. | Bldg. No. | Address | Occupancy |
|----------|-----------|---|-----------------|
| 14 | 14 | 1400-1700 LINCOLN HIGHWAY ST CHARLES, IL 60174 | RETAIL/OFFICE |
| 15 | 15 | 1 W. ILLINOIS STREET ST CHARLES, IL 60174 | RETAIL/OFFICE |
| 16 | 16 | 1 W STATE ST, 25 N. RIVER LANE, 65 N. RIVER LANE GENEVA, IL 60134 | RETAIL/OFFICE |
| 17 | 17 | 2075 PRARIE STREET ST CHARLES, IL 60174 | RETAIL/OFFICE |
| 18 | 18 | 201 S. THIRD ST, 207 S. THIRD ST A/K/S 220-222 CAMPBELL ST GENEVA, IL 60134 | RETAIL / OFFICE |
| 19 | 19 | 300-328 CRESCENT PLACE GENEVA, IL 60134 | RETAIL/OFFICE |
| 20 | 20 | 17 W STATE STREET GENEVA, IL 60134 | RESTAURANT |
| 21 | 21 | 2073 PRARIE ST ST CHARLES, IL 60174 | FOOD STORE |
| 22 | 22 | 1144-1188 E STATE ST GENEVA, IL 60134 | RETAIL |
| 23 | 23 | 507 S THIRD ST & CONNECTED PARKING LOT GENEVA, IL 60134 | RETAIL |
| 24 | 24 | 577 S. THIRD ST GENEVA, IL 60134 | RETAIL |
| 25 | 25 | 180 W LINCOLN HWY DEKALB, IL 60115 | SANDWICH SHOP |
| 26 | 26 | 1850 LINCOLN HWY ST CHARLES, IL 60174 | RESTAURANT |

LOCATION SCHEDULE**POLICY NUMBER: Y-630-0K557677-COF-20**

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period
01-01-20 to 01-01-21 .

| Loc. No. | Bldg. No. | Address | Occupancy |
|---------------------|----------------------|--|--------------------|
| 27 | 27 | 162 MCGIRR ROAD DEKALB, IL 60115 | RENTAL GARAGE |
| 28 | 28 | 35 N RIVER LANE GENEVA, IL 60134 | BANQUET HALL |
| 29 | 29 | 15 S RIVER LANE GENEVA, IL 60134 | RESTAURANT |
| 30 | 30 | 2 W STATE ST GENEVA, IL 60134 | BANQUET HALL |
| 31 | 31 | 39W525 HERRINGTON DR GENEVA, IL 60134 | COUNTRY CLUB |
| 32 | 32 | 2025 LINCOLN HWY ST CHARLES, IL 60174 | AUTO PARTS STORE |
| 33 | 33 | 1925 LINCOLN HWY ST CHARLES, IL 60174 | BANK |
| 34 | 34 | EASTBANK PARKING LOT Q AURORA, IL 60506 | EASTBANK - GL ONLY |
| 35 | 35 | 730 ELIZABETH STREET ELBURN, IL 60119 | DWELLING |

POLICY NUMBER: Y-630-0K557677-COF-20

GENERAL PURPOSE ENDORSEMENT

ITEM 1 NAMED INSURED TO READ:

SHODEEN GROUP, L.L.C.
DODSON HOUSE, L.L.C.
DODSON PROPERTY COMPANY, L.L.C.
DODSON PLACE CENTER CONDOMINIUM
DODSON INVESTMENT COMPANY, L.L.C.
ST. CHARLES ENTERPRISE CENTER, L.L.C.
STATE BANK OF GENEVA U/T/A DATED 8-26-99 KNOWN A TRUST #857 AND ALL
BENEFICIARIES THEREUNDER
RANDALL ROAD PROPERTY COMPANY, L.L.C.
WESSEL COURT EAST, L.L.C.
ONE COMMERCE CENTER PROPERTY COMPANY, L.L.C.
RIVER CENTER PROPERTY COMPANY, L.L.C.
GENEVA STATE STREET PROPERTY COMPANY, L.L.C.
TRI-CITY CENTER ASSOCIATES, LP
VANDERBILT PROFESSIONAL CENTER L.L.C.
FOX ISLAND LIMITED PARTNERSHIP
PRAIRIE STREET PROPERTY COMPANY, L.L.C.
STATE BANK OF GENEVA U/T/A DATED JUNE 9 2003 KNOWN AS TRUST #915 AND ALL
BENEFICIARIES THEREUNDER
HERRINGTON STATION, L.L.C.
17 W. STATE STREET, L.L.C.
SJODIN PROPERTY COMPANY, L.L.C.
DEKALB DEVELOPMENT COMPANY, L.L.C.
STATE BANK OF GENEVA U/T/A DATED 5/22/06 KNOWN AS TRUST 931 AND ALL
BENEFICIARIES THEREUNDER
SHODEEN INVESTMENT PROPERTY COMPANY, L.L.C.
HERRINGTON INN CONDOMINIUM ASSOCIATION
SHODEEN HOSPITALITY INC.
HERRINGTON INN INC.
RIVERWALK SEAFOOD GRILL INC.
EXCEL, L.L.C.
WHITEFISH DEVELOPMENT PROPERTY COMPANY, L.L.C.
TSFPC I, L.L.C.
RIVERSIDE BANQUETS
THE HERRINGTON INC
THE HERRINGTON INC. DBA THE SPA AT THE HERRINGTON
WILLIAMSBURG PROFESSIONAL CENTER CONDOMINIUM ASSOCIATION.
SHODEEN HOMES, LLC & SHODEEN CONSTRUCTION COMPANY, LLC
SHODEEN FAMILY FOUNDATION
MILL CREEK LAND COMPANY
KENT W SHODEEN TRUST #1 AND JOAN W SHODEEN TRUST #1
COVINGTON COURT APARTMENTS, LLC

DELUXE PROPERTY



DELUXE PROPERTY



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**

INSURING COMPANY:
THE CHARTER OAK FIRE INSURANCE COMPANY

EFFECTIVE DATE: Same as policy unless otherwise specified:

DELUXE PROPERTY COVERAGE FORM

COVERAGES AND LIMITS OF INSURANCE - DESCRIBED PREMISES

Insurance applies on a BLANKET basis only to a coverage or type of property for which a Limit of Insurance is shown below, and then only at the premises locations for which a value for such coverage or property is shown on the Statement of Values dated 09/25/19, or subsequently reported to and insured by us. For Insurance that applies to a specific premises location see Deluxe Property Coverage Part Schedule - Specific Limits.

| Blanket Description of Coverage or Property | Limits of Insurance |
|---|---------------------|
| Building(s) | \$ 108,701,943 |
| Your Business Personal Property | \$ 4,624,272 |

COINSURANCE PROVISION:

Coinsurance does not apply to the Blanket coverages as shown above.

VALUATION PROVISION:

Replacement cost (subject to limitations) applies to most types of covered property (See Valuation Loss Condition in DX T1 00).

| ADDITIONAL COVERED PROPERTY | Limits of Insurance |
|---|---------------------|
| Personal Property at Undescribed Premises: | |
| At any "exhibition" premises | Not Covered |
| At any installation premises or temporary storage premises | Not Covered |
| At any other not owned, leased or regularly operated premises | \$ 25,000 |
| Personal Property in Transit: | \$ 25,000 |

DX T0 00 11 12



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**
**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**
DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS

The Limits of Insurance shown in the left column are included in the coverage form and apply unless a Revised Limit of Insurance or Not Covered is shown in the Revised Limits of Insurance column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

| | Limits of Insurance | Revised Limits of Insurance |
|--|------------------------|--------------------------------|
| Accounts Receivable | | |
| At all described premises | \$ 50,000 | |
| In transit or at all undescribed premises | \$ 25,000 | |
| Appurtenant Buildings and Structures | \$ 100,000 | |
| Claim Data Expense | \$ 25,000 | |
| Covered Leasehold Interest - Undamaged Improvements & Betterments | | |
| Lesser of Your Business Personal Property limit or: | \$ 100,000 | |
| Debris Removal (additional amount) | \$ 250,000 | |
| Deferred Payments | \$ 25,000 | |
| Duplicate Electronic Data Processing Data and Media | \$ 50,000 | |
| Electronic Data Processing Data and Media At all described premises | | Included |
| Employee Tools | | |
| In any one occurrence | \$ 25,000 | |
| Any one item | \$ 2,500 | |
| Expediting Expenses | \$ 25,000 | |
| Extra Expense | \$ 25,000 | |
| Fine Arts | | |
| At all described premises | \$ 50,000 | |
| In transit | \$ 25,000 | |
| Fire Department Service Charge | | Included* |
| Fire Protective Equipment Discharge | | Included* |
| Green Building Alternatives - Increased Cost Percentage 1 % | | |
| Maximum amount - each building | \$ 100,000 | |
| Green Building Reengineering and Recertification Expense | \$ 25,000 | |
| Limited Coverage for Fungus, Wet Rot or Dry Rot - Annual Aggregate | \$ 25,000 | |
| Loss of Master Key | \$ 25,000 | |
| Newly Constructed or Acquired Property: | | |
| Building - each | \$ 2,000,000 | |
| Personal Property at each premises | \$ 1,000,000 | |
| Non-Owned Detached Trailers | \$ 25,000 | |
| Ordinance or Law Coverage | \$ 250,000 | |

DX T0 00 11 12

PRODUCER: A J GALLAGHER RMS

NI026 OFFICE: NAPERVILLE IL

888



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**

**DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS
(continued)**

| | Limits of Insurance | Revised Limits of Insurance |
|---|------------------------|--------------------------------|
| Outdoor Property | \$ 25,000 | |
| Any one tree, shrub or plant | \$ 2,500 | |
| Outside Signs | | |
| At all described premises | \$ 100,000 | |
| At all undescribed premises | \$ 5,000 | |
| Personal Effects | \$ 25,000 | |
| Personal Property At Premises Outside of the Coverage Territory | \$ 50,000 | |
| Personal Property In Transit Outside of the Coverage Territory | \$ 25,000 | |
| Pollutant Cleanup and Removal - Annual Aggregate | \$ 100,000 | |
| Preservation of Property | | |
| Expenses to move and temporarily store property | \$ 250,000 | |
| Direct loss or damage to moved property | Included* | |
| Reward Coverage | | |
| 25% of covered loss up to maximum of: | \$ 25,000 | |
| Stored Water | \$ 25,000 | |
| Theft Damage to Rented Property | Included* | |
| Undamaged Parts of Stock In Process | \$ 50,000 | |
| Valuable Papers and Records - Cost of Research | | |
| At all described premises | \$ 50,000 | |
| In transit or at all undescribed premises | \$ 25,000 | |
| Water or Other Substance Loss - Tear Out and Replacement Expense | Included* | |

*Included means included in applicable Covered Property Limit of Insurance

DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM - DESCRIBED PREMISES

| Premises Location No. | Building No. | Limits of Insurance |
|--------------------------|-----------------|------------------------|
| ALL | ALL | \$ 10,449,176 |

Rental Value: Included
Ordinary Payroll: Included

DX TO 00 11 12



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**
**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**
DELUXE BUSINESS INCOME - ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS

The Limits of Insurance, Coverage Period and Coverage Radius shown in the left column are included in the coverage form and apply unless a revised Limit of Insurance, Coverage Period, Coverage Radius or Not Covered is shown under the column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

| | Limits of Insurance, Coverage Period or Coverage Radius | Revised Limits of Insurance, Coverage Period or Coverage Radius |
|---|--|--|
| Business Income From Dependent Property | | |
| At Premises Within the Coverage Territory | \$ | 100,000 |
| At Premises Outside of the Coverage Territory | \$ | 100,000 |
| Civil Authority | | |
| Coverage Period | | 30 days |
| Coverage Radius | | 100 miles |
| Claim Data Expense | \$ | 25,000 |
| Contract Penalties | \$ | 25,000 |
| Extended Business Income | | |
| Coverage Period | | 180 days |
| Fungus, Wet Rot or Dry Rot - Amended | | |
| Period of Restoration | | |
| Coverage Period | | 30 days |
| Green Building Alternatives - Increased | | |
| Period of Restoration | | |
| Coverage Period | | 30 days |
| Ingress or Egress | \$ | 25,000 |
| Coverage Radius | | 1 mile |
| Newly Acquired Locations | \$ | 500,000 |
| Ordinance or Law - Increased | | |
| Period of Restoration | \$ | 250,000 |
| Pollutant Cleanup and Removal - Annual | | |
| Aggregate | \$ | 25,000 |
| Transit Business Income | \$ | 25,000 |
| Undescribed Premises | \$ | 25,000 |

DX TO 00 11 12

PRODUCER: A J GALLAGHER RMS

NI026 OFFICE:NAPERVILLE IL

888



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**

CAUSES OF LOSS - EARTHQUAKE - aggregate in any one policy year, for all losses covered under the Causes of Loss - Earthquake endorsement, commencing with the inception date of this policy:

Annual
Aggregate Limit

1. Applies at the following Building(s) numbered:

001-033 \$ 1,000,000

If more than one Annual Aggregate Limit applies in any one occurrence, the most we will pay is the highest involved Annual Aggregate Limit. The most we will pay during each annual period is the highest of the Annual Aggregate Limits shown.

CAUSES OF LOSS - BROAD FORM FLOOD - aggregate in any one policy year, for all losses covered under the Causes of Loss - Broad Form Flood endorsement, commencing with the inception date of this policy:

Annual
Aggregate Limit

1. Applies at the following Building(s) numbered:

001-014,017-027,031-033 \$ 20,000,000

2. Applies at the following Building(s) numbered:

015,016,028-030 \$ 50,000

If more than one Annual Aggregate Limit applies in any one occurrence, the most we will pay is the highest involved Annual Aggregate Limit. The most we will pay during each annual period is the highest of the Annual Aggregate Limits shown.

EXCESS OF LOSS LIMITATION APPLIES - See Causes of Loss - Broad Form Flood endorsement.

UTILITY SERVICES

Limits of
Insurance

Combined Direct Damage and Time Element - in any one occurrence:
(See Utility Services - Direct Damage and Utility
Services - Time Element endorsements)

\$ 25,000

DX TO 00 11 12



One Tower Square, Hartford, Connecticut 06183

DELUXE PROPERTY COVERAGE
PART DECLARATIONS

POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20

UTILITY SERVICES (continued)

Coverage is provided for the following:

- Water Supply
- Communication Supply
- Power Supply

Coverage for Overhead Transmission Lines is: excluded.

DEDUCTIBLES:

BY EARTHQUAKE:

1. In any one occurrence, at the following Building(s) numbered:

| | | |
|---------|----|---------|
| 001-033 | \$ | 100,000 |
|---------|----|---------|

As respects Business Income Coverage a 72 hour deductible applies at all premises locations.

BY "FLOOD":

1. At the premises location(s) of the following Building(s) numbered:

| | | |
|-----------------------|----|--------|
| 015,016,028-030 | | |
| in any one occurrence | \$ | 10,000 |

As respects Business Income Coverage a 72 hour deductible applies at all premises locations.

2. At the premises location(s) of the following Building(s) numbered:

| | | |
|-------------------------|----|--------|
| 001-014,017-027,031-033 | | |
| in any one occurrence | \$ | 50,000 |

As respects Business Income Coverage a 72 hour deductible applies at all premises locations.

DX TO 00 11 12



One Tower Square, Hartford, Connecticut 06183

DELUXE PROPERTY COVERAGE
PART DECLARATIONS

POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20

DEDUCTIBLES: (continued)

TO UTILITY SERVICES:

Time Element, in any one occurrence: 72 Hours

BUSINESS INCOME:

As respects Business Income Coverage, for which no other deductible is stated above or in the coverage description, a 72 hour deductible applies.

ANY OTHER COVERED LOSS in any one occurrence: \$ 10,000

DX T0 00 11 12

PRODUCER: A J GALLAGHER RMS

NI026 OFFICE:NAPERVILLE IL

888

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

MORTGAGE HOLDER SCHEDULE

| Premises Loc. No. | Bldg. No. | Mortgage Holder Name and Mailing Address |
|----------------------|--------------|--|
| 31 | 31 | STANCORP MORTGAGE INVESTORS LLC OR ITS ASSIGNS C/O DRAPER AND KRAMER INC 55 EAST MONROE ST SUITE 3900 CHICAGO IL 60603 |

TABLE OF CONTENTS

DELUXE PROPERTY COVERAGE PART

The following indicates the contents of the principal Forms which may be attached to your policy. It contains no reference to the Declarations or Endorsements which also may be attached.

| | Begins on Page |
|---|---------------------------|
| DELUXE PROPERTY COVERAGE FORM | |
| A. Coverage | 1 |
| B. Covered Causes of Loss | 18 |
| C. Exclusions | 18 |
| D. Limitations | 26 |
| E. Limits of Insurance | 27 |
| F. Deductible | 28 |
| G. Loss Conditions | 28 |
| H. Additional Conditions | 34 |
| I. Optional Coverages | 35 |
| J. Definitions | 36 |
| DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM | |
| A. Coverage | 1 |
| B. Exclusions and Limitation | 8 |
| C. Limits of Insurance | 9 |
| D. Deductible | 9 |
| E. Loss Conditions | 10 |
| F. Optional Coverages | 11 |
| G. Definitions | 12 |
| DELUXE BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM | |
| A. Coverage | 1 |
| B. Exclusions and Limitation | 7 |
| C. Limits of Insurance | 8 |
| D. Deductible | 8 |
| E. Loss Conditions | 9 |
| F. Optional Coverages | 10 |
| G. Definitions | 10 |
| DELUXE EXTRA EXPENSE COVERAGE FORM | |
| A. Coverage | 1 |
| B. Exclusions | 6 |
| C. Limits of Insurance | 6 |
| D. Loss Conditions | 6 |
| E. Optional Coverages | 7 |
| F. Definitions | 8 |

DELUXE PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION J. – DEFINITIONS.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means each of the following types of property described in this Section **A.1.**, and limited in Section **A.2.**, Property and Costs Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. Building(s), meaning the designated building or structure at the premises described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Foundations;
- (4) Glass that is a part of the building or structure;
- (5) Machinery and equipment permanently attached to the building or structure;
- (6) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings;
 - (d) Lobby and hallway furnishings owned by you;
 - (e) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - (f) Lawn maintenance and snow removal equipment;
 - (g) Heating, air conditioning and ventilation equipment; and

(h) Building systems and equipment including alarm, communication, security and monitoring devices; and

(7) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure; and

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.

b. Your Business Personal Property located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations:

- (1) Furniture and fixtures;
- (2) Machinery and equipment (including "electronic data processing equipment");
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy or lease but do not own; and

- (b) You acquired or made at your expense, but cannot legally remove;
 - (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise insured under Personal Property of Others; and
 - (8) Building glass that is not a tenant improvement and betterment but which, as a tenant, you are contractually required to insure under a written lease agreement.
- c. Personal Property of Others** meaning others' personal property in your care, custody, or control that is located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

However, our payment for loss of or damage to Personal Property of Others will only be for the account of the owner of the property.

- d. Personal Property At Undescribed Premises** meaning Your Business Personal Property and Personal Property of Others in your care, custody or control that:

- (1) Is at "exhibition" premises located worldwide including while in transit to and from the "exhibition" premises provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage;
- (2) Is at installation premises or temporary storage premises while awaiting installation that you do not own, lease or regularly operate. This coverage applies only to such property that will or has become a permanent part of an installation project being performed for others by you or on your behalf. This coverage will end when any of the following first occurs:
 - (a) Your interest in the property ceases;
 - (b) The installation is accepted by the customer;

- (c) The installation is abandoned by you;
 - (d) The property is more specifically insured; or
 - (e) This policy is cancelled or expires, whichever occurs first; or
- (3) Is temporarily at any other premises not described in the Declarations, which you do not own, lease or regularly operate.

Coverage does not include Sales Representative Property as defined in Paragraph A.1.f. below.

- e. Personal Property in Transit** as follows:

- (1) This coverage for Personal Property in Transit applies to:
 - (a) Your Business Personal Property; and
 - (b) Personal Property of Others; away from the described premises while in transit between points within the Coverage Territory.
- (2) Unless a mode of transportation or type of shipment is specifically excluded in the Declarations or by endorsement, this coverage applies to property in transit being shipped by any type of carrier or vehicle.
- (3) This coverage applies from the time the property leaves the premises where the shipment begins until the shipment arrives at its final destination. If the property is not delivered, we cover the return of the property to you, including while the property is temporarily held by the receiver or the carrier while awaiting return shipment to you.
- (4) Subject to the Limit of Insurance that applies to the Personal Property in Transit coverage, we will also pay for:
 - (a) Any general average or salvage charges you incur as respects losses to covered waterborne shipments;
 - (b) Your interest in covered shipments sold Free On Board if you cannot collect payment for the loss or damage from the consignee; and

- (c) Loss of or damage to Covered Property resulting from the unintentional acceptance of any fraudulent Bill of Lading, order or shipping receipt by you, your employees or authorized representatives or by your agent, customer or consignee from anyone representing themselves to be the proper person to receive goods for shipment or accept goods for delivery.

(5) This coverage does not apply to:

- (a) Accounts receivable;
- (b) "Employee tools";
- (c) "Fine arts";
- (d) Sales representative property;
- (e) Personal property in transit to or from an "exhibition" site; or
- (f) "Valuable papers and records".

f. Sales Representative Property meaning goods or merchandise which are Your Business Personal Property and Personal Property of Others in the custody of independent contractors whom you authorize to sell such goods or merchandise. This coverage applies worldwide while the property is:

- (1) At any premises away from the described premises; or
- (2) In transit;

provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

2. Property and Costs Not Covered

Unless the following property is added by endorsement to this Coverage Form, Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes, checks, drafts or securities except as provided in the Accounts Receivable Coverage Extension. Lottery tickets held for sale are not securities;
- b. Aircraft or watercraft;
- c. Animals;

- d. Automobiles, motorcycles, motor trucks, motor homes and similar vehicles held for sale, lease, loan or rent;
- e. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
- f. Contraband or property in the course of illegal transportation or trade;
- g. "Electronic data processing data and media" that is obsolete or no longer used by you;
- h. "Employee tools" except as provided in the Employee Tools Coverage Extension;
- i. Export and import shipments while covered under an ocean marine cargo or other insurance policy;
- j. "Fine arts", except as provided in the Personal Effects and Fine Arts Coverage Extensions;
- k. Harvested grain, hay, straw or other crops while outside of buildings, growing crops or standing timber;
- l. Human body parts and fluids including organs, tissue, blood and cells;
- m. Land, whether in its natural state or otherwise (including land on which the property is located), land improvements or the cost of restoring or stabilizing land;
- n. Personal property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers except as provided in the Deferred Payments Coverage Extension;
- o. Property of others for which you are responsible while acting as a common or contract carrier, car-loader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
- p. Property that is covered under another coverage form or endorsement of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- q. Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

- r. Shipments by a government postal service except by registered mail;
- s. The cost of excavations, grading, backfilling or filling. This does not apply to costs necessarily incurred to repair or replace covered loss or damage to Covered Property, but any costs associated with land stabilization and land reconstruction are excluded;
- t. The cost to research, replace or restore the information on "valuable papers and records" and "electronic data processing data and media", except as provided in the Valuable Papers and Records – Cost of Research and Electronic Data Processing Data and Media Coverage Extensions;
- u. The following property while outside of buildings:
 - (1) Bridges, roadways, walks, patios, or other paved surfaces;
 - (2) Artificial turf and associated underlayment;
 - (3) Retaining walls that are not part of a building;
 - (4) Fences;
 - (5) Trees, shrubs, plants or lawns (including fairways, greens and tees), but not including vegetative roofs on Covered Buildings nor "stock" of trees, shrubs or plants;

except as provided in the Outdoor Property Coverage Extension.
- v. The following underground property:
 - (1) Wires;
 - (2) Pipes, flues and drains;
 - (3) Tanks (including their contents);
 - (4) Tunnels (whether or not connected to buildings);
 - (5) Mines or mining property;
- w. Vehicles or self-propelled machines that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises;

But this does not apply to:

 - (a) Vehicles, self-propelled machines or autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded under **A.2.d.** above; or
 - (c) Trailers and Semi-trailers to the extent covered under the Non-Owned Detached Trailers Coverage Extension;
- x. Water, whether in its natural state or otherwise, and whether above or below ground or the cost of reclaiming or restoring water.

But this does not apply to:

- (1) Water contained in storage tanks used in your manufacturing or processing operations as specifically insured under the Stored Water Additional Coverage; or
- (2) Bottled water.

3. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

a. Debris Removal

- (1) We will pay your expense to remove debris of Covered Property, and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

This Additional Coverage does not apply to costs to:

- (a) Remove debris of property you own that is not insured under this policy, or property of others in your care, custody or control that is not Covered Property;
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

- (c) Remove debris of any outdoor property of a type described in the Outdoor Property Coverage Extension, whether the property is your property or the property of others;
 - (d) Remove any property that is included under Section A.2. Property and Costs Not Covered;
 - (e) Remove property of others of a type that is not Covered Property under this Coverage Form;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (2) The most we will pay under this Additional Coverage for your expense to remove the debris of Covered Property is 25% of:
- (a) The amount we pay for the direct physical loss of or damage to Covered Property; plus
 - (b) The deductible in this Coverage Part applicable to that loss or damage.
- Except as provided in Paragraph (3) below, this payment for your expense to remove the debris of Covered Property is included within the applicable Covered Property Limit of Insurance.
- (3) If:
- (a) Your expense to remove debris of Covered Property exceeds the above 25% limitation; or
 - (b) The sum of the amount we pay for loss of or damage to Covered Property and the expense for removal of its debris exceeds the applicable Limit of Insurance;
- we will pay an additional amount for your expense to remove the debris of Covered Property, up to \$250,000 in any one occurrence.
- (4) The most we will pay in any one occurrence under this Additional Coverage for your expense to remove the debris of any property that is not Covered Property (if such removal is covered under this Additional Cover-

age) is \$25,000. This is additional insurance.

b. Expediting Expenses

In the event of covered loss or damage to Covered Property, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs to, or expedite the permanent repairs or replacement of the Covered Property at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation. Expediting expenses do not include expenses you incur for the temporary rental of property or temporary replacement of damaged property.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

d. Fire Protective Equipment Discharge

If fire protective equipment at the described premises discharges accidentally or to control a Covered Cause of Loss, we will pay your cost to:

- (1) Refill or recharge the system with the extinguishing agents that were discharged; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

e. Green Building Alternatives – Increased Cost

- (1) If direct physical loss or damage by a Covered Cause of Loss occurs to a building that is Covered Property, we will pay for:
 - (a) The reasonable additional cost you incur to repair or replace the lost or damaged portions of the

building using products or materials that:

- (i) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with a documented "green authority"; and
- (ii) Are otherwise of comparable quality and function to the damaged property;

and

- (b) The reasonable additional cost you incur to employ "green" methods or processes of construction, disposal or recycling in the course of the repair and replacement of the lost or damaged building, in accordance with the documented standards of a "green authority".
- (2) The insurance provided under this Additional Coverage applies only if replacement cost valuation applies to the lost or damaged building and then only if the building is actually repaired or replaced as soon as reasonably possible after the loss or damage.
 - (3) The insurance provided under this Additional Coverage does not apply to any building that has been "vacant" for more than 60 consecutive days before the loss or damage occurs.
 - (4) The most we will pay for the additional cost incurred with respect to each building in any one occurrence under this Additional Coverage is determined by multiplying:
 - (a) A factor of 1% (unless a higher increased cost percentage is shown in the Declarations); times
 - (b) The lesser of:
 - (i) The amount we would otherwise pay for direct physical loss of or damage to the building, prior to application of any applicable deductible; or
 - (ii) The value you reported to us for the building, as stated on the latest Statement of Values or other documentation

on file with us prior to the loss or damage.

Unless otherwise stated in the Declarations, this resultant amount is subject to a maximum amount of insurance of \$100,000 for each building.

f. Green Building Reengineering and Recertification Expense

- (1) If, as a result of direct physical loss or damage by a Covered Cause of Loss to a building that is Covered Property, the pre-loss level of "green" building certification by a "Green Authority" on the building is lost, we will pay for the following reasonable additional expenses you incur to re-attain the pre-loss level of "green" building certification from that "Green Authority":

- (a) The reasonable additional expense you incur to hire a qualified engineer or other professional required by the "Green Authority" to be involved in:

- (i) Designing, overseeing or documenting the repair or replacement of the lost or damaged building; or

- (ii) Testing and recalibrating the systems and mechanicals of the lost or damaged building to verify that the systems and mechanicals are performing in accordance with the design of such systems and mechanicals or the specifications of the manufacturer;

and

- (b) The reasonable registration and recertification fees charged by the "Green Authority".

- (2) This Additional Coverage applies to the additional expenses described above that you incur to achieve the pre-loss level of "green" building certification in accordance with the standards of the "Green Authority" that exist at the time of repair or replacement, even if the standards have changed since the original certification was achieved.

(3) The most we will pay in any one occurrence under this Additional Coverage for:

(a) All expenses incurred with respect to each building is 5% of the sum of:

(i) The amount we pay for the direct physical loss of or damage to the building, including any amount paid under the Green Building Alternatives – Increased Cost Additional Coverage; and

(ii) The deductible amount applied to the loss payment for direct physical loss or damage to the building;

(b) All expenses incurred, regardless of the number of buildings involved, is \$25,000.

g. Limited Coverage for Fungus, Wet Rot or Dry Rot

(1) The coverage provided in Paragraph (2) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after the occurrence of such "specified causes of loss".

(2) We will pay for direct physical loss of or damage to Covered Property caused by "fungus", wet rot or dry rot, including:

(a) The cost of removal of the "fungus", wet rot or dry rot;

(b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet rot or dry rot; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot are present.

(3) The most we will pay for the total of all loss or damage under this Additional Coverage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) occurring during each separate 12 month period of this policy beginning with the effective date of this policy is \$25,000.

(4) The coverage provided under this Additional Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet rot or dry rot, and other loss or damage, we will not pay more for the total of all loss or damage than the applicable Limit of Insurance on the Covered Property.

If there is covered loss or damage to Covered Property that is not caused by "fungus", wet rot or dry rot, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungus", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

h. Ordinance or Law Coverage

(1) In the event of covered direct physical loss or damage to a building that is Covered Property, the following coverages apply, but only with respect to that lost or damaged building:

(a) Coverage A – Coverage For Loss To The Undamaged Portion of The Building

We will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

(b) Coverage B – Demolition Cost Coverage

We will pay under Coverage B the cost to demolish the building and clear the site of undamaged parts of the same building, as a consequence of enforcement of

an ordinance or law that requires demolition of such undamaged property.

(c) Coverage C – Increased Cost of Construction

We will pay under Coverage C the increased cost to:

- (i)** Repair or reconstruct damaged portions of that building; or
- (ii)** Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage C applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance. This Coverage C does not apply if the building is not repaired, reconstructed or remodeled.

- (2)** The coverages described in **(1)** above apply only if the provisions in Paragraphs **(a)** and **(b)** below are satisfied and are then subject to the qualifications set forth in Paragraph **(c)** below:

(a) The ordinance or law:

- (i)** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (ii)** Is in force at the time of loss.

But this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

(b) The building either:

- (i)** Sustains direct physical loss or damage that is covered under this Coverage Part and such damage results in enforcement of the ordinance or law; or
- (ii)** Sustains both direct physical loss or damage that is covered under this Coverage Part and direct physical loss or damage that is not covered under this Coverage Part and the building damage in its entirety results in enforcement of the ordinance or law.

If the building sustains direct physical loss or damage that is not covered under this Coverage Part, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building has also sustained covered direct physical loss or damage.

- (c)** In the situation described in **(b)** **(ii)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage.

However, if covered direct physical loss or damage, alone, would have resulted in the enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage A, B, or C of this Additional Coverage.

- (3)** We will not pay under this Additional Coverage for:

- (a)** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation;

tion of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

(b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot; or

(c) Loss due to any ordinance or law that:

(i) You were required by the ordinance or law to comply with before the loss, even if the building was undamaged; and

(ii) You failed to comply with.

(4) Exclusion C.1.h. Ordinance or Law does not apply to the insurance specifically provided under this Additional Coverage.

(5) The most we will pay under this Additional Coverage for loss with respect to all buildings lost or damaged in any one occurrence, regardless of the number of buildings involved, is \$250,000.

i. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at the described premises, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from any of the "specified causes of loss" which occurs:

(1) On the described premises;

(2) To Covered Property; and

(3) During the policy period.

The expenses will be paid only if they are reported to us within 180 days of the date on which the covered "specified cause of loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing

which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage is \$100,000 for the sum of all covered expenses arising out of all "specified causes of loss" occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

j. Preservation of Property

If it is necessary to temporarily move Covered Property from the described premises to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss:

(1) We will pay for the reasonable and necessary expenses actually incurred by you to remove the Covered Property from the described premises, temporarily store the Covered Property at another location and move the Covered Property back to the described premises within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes. The most we will pay for the sum of all such expenses that you incur due to the threat of loss or damage from any one occurrence is \$250,000, subject to the following:

(a) This Limit of Insurance is an additional amount of insurance that is not included in, and does not reduce, the Covered Property Limits of Insurance.

(b) When the Causes of Loss – Earthquake endorsement or Causes of Loss – Earthquake Sprinkler Leakage endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of all such Covered Causes of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Earthquake endorsement

or the Causes of Loss – Earthquake Sprinkler Leakage endorsement applies.

- (c) When the Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of such Covered Cause of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Broad Form Flood endorsement applies.
- (d) If the threat of imminent direct physical loss or damage to Covered Property from the same occurrence spans over multiple policy years, only the limit that applies to this Coverage in the policy year in which the expenses are first incurred by you will apply to the total of the expenses incurred due to the threat of loss or damage from that occurrence.

This Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the Covered Cause of Loss from which the property is being preserved.

- (2) We will also pay for any direct physical loss of or damage to the Covered Property while it is being moved from the described premises, while temporarily stored at another location or while being moved back to the described premises, subject to the following:
 - (a) This Coverage is subject to, and does not increase the applicable Covered Property Limit of Insurance.
 - (b) This Coverage will only apply if the loss or damage occurs within 180 days after the Covered Property is first moved and will end when any of the following first occurs:

- (i) The policy is amended to provide insurance at the new location;
- (ii) The Covered Property is returned to the original location; or
- (iii) This policy expires.

k. Reward Coverage

We will reimburse you for rewards you have incurred leading to:

- (1) The successful return of undamaged stolen articles of Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any of your Covered Property.

The most we will pay in any one occurrence under this Additional Coverage is 25% of the covered loss (prior to the application of any applicable deductible and recovery of undamaged stolen articles) up to a maximum of \$25,000 for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

l. Stored Water

- (1) We will pay the cost you incur to replace water that is used in your manufacturing or processing operations which is contained in any:
 - (a) Above-ground storage tank; or
 - (b) Manufacturing or processing equipment (including related piping) at the described premises,when the water has been released or rendered unusable for its intended purpose due to direct physical loss of or damage to such tank, equipment or piping by a Covered Cause of Loss.
- (2) This Additional Coverage does not apply to costs to restore or replace water contained in any fire suppression system.
- (3) The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

m. Water or Other Substance Loss – Tear Out and Replacement Expense

In the event of covered loss or damage caused by or resulting from water (or steam), other liquid, powder or molten material, we will also pay:

- (1) The necessary cost of tearing out and replacing any part of a Covered Building or Structure to repair damage to the system or appliance from which the water (or steam), other liquid, powder or molten material escapes; and
- (2) The cost to repair or replace damaged parts of fire extinguishing equipment if:
 - (a) The damage results in discharge of any substance from an automatic fire protective system; or
 - (b) Is directly caused by freezing.

Except as provided under (2) above, we will not pay the cost to repair any defect in a system or appliance from which the water (or steam), other liquid, powder or molten material escapes.

4. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

a. Accounts Receivable

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to losses and expenses described below that you incur resulting from direct physical loss or damage by a Covered Cause of Loss to your accounts receivable records. Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

We will pay:

- (a) Amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and

- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

- (2) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, we will:

- (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs;

- (b) Adjust the total for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month; and

- (c) Deduct the following from the total amount of accounts receivable, however that amount is established:

- (i) The amount of the accounts for which there is no loss;

- (ii) The amount of the accounts that you are able to re-establish or collect;

- (iii) An amount to allow for probable bad debts that you are normally unable to collect; and

- (iv) All unearned interest and service charges.

- (3) The most we will pay in any one occurrence under this Extension for loss and expenses resulting from loss of or damage to your records of accounts receivable:

- (a) At or within 1,000 feet of the described premises is \$50,000; and

- (b) While in transit or at all undescrbed premises is \$25,000.

b. Appurtenant Buildings and Structures

- (1) At the described premises where Building coverage applies:

- (a) You may extend the insurance that applies to your buildings to

apply to direct physical loss or damage by a Covered Cause of Loss to incidental appurtenant buildings and structures which are at the described premises but not specifically described in the Declarations; and

- (b) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others, if any, to apply to direct physical loss or damage by a Covered Cause of Loss to such property located within incidental appurtenant buildings or structures which are at the described premises but not specifically described in the Declarations.

- (2) Incidental appurtenant buildings or structures include storage buildings, garages, pump houses, above ground tanks, television and radio towers, antennas, satellite dishes and solar panels mounted on the ground or on poles not attached to buildings and structures. But incidental appurtenant buildings and structures do not include:

- (a) Outside signs, whether or not attached to buildings or structures;
- (b) Any property to which the Outdoor Property Coverage Extension applies; or
- (c) Any property excluded under Section A.2. Property and Costs Not Covered.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$100,000.

c. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss.

- (2) We will not pay for:

- (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
- (b) Any costs as provided in the Appraisal Loss Condition (G.2.); or
- (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

- (3) The most we will pay for claim data expense in any one occurrence under this Extension is \$25,000.

d. Covered Leasehold Interest – Undamaged Improvements and Betterments

- (1) You may extend the insurance that applies to Your Business Personal Property at the described premises which you lease from others to apply to your interest as tenant in improvements and betterments, as defined in Section A.1.b.(6) of this Coverage Form, which are not damaged or destroyed, but which you lose due to the cancellation of your lease by your landlord. The cancellation of your lease by your landlord must:

- (a) Result from direct physical loss of or damage to property at the described premises where your improvements and betterments are located, caused by or resulting from a Covered Cause of Loss; and
- (b) Be permitted in accordance with the conditions of your written lease agreement.

- (2) The most we will pay for loss in any one occurrence under this Extension is:

- (a) The applicable Your Business Personal Property Limit of Insurance; or
 - (b) \$100,000;
- whichever is less.

e. Deferred Payments

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your interest in

such business personal property that is sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan when, as a result of direct physical loss of or damage to such property:

- (a) Occurring within the Coverage Territory at any location, or in transit, after delivery to buyers; and
- (b) Caused by a Covered Cause of Loss;

the buyer refuses to continue payments owed to you for such property and, as a result, you repossess the remaining damaged property of value, if any.

- (2) The value of your loss under this Extension will be determined as follows:
 - (a) In the event of partial loss to property, the value of your loss will be:
 - (i) The unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due; minus
 - (ii) The actual cash value of the repossessed damaged property.
 - (b) In the event of a total loss to property, the value of your loss will be the unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due.
- (3) The most we will pay for loss in any one occurrence under this Extension is \$25,000.

f. Duplicate Electronic Data Processing Data and Media

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to duplicates of your "electronic data processing data and media" while stored in a separate, unattached building anywhere in the Coverage Territory from where your

original "electronic data processing data and media" are kept.

- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

g. Electronic Data Processing Data and Media

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to your costs to research, replace or restore the lost information on lost or damaged "electronic data processing data and media" for which duplicates do not exist. The loss or damage to the "electronic data processing data and media" must be caused by a Covered Cause of Loss.
- (2) The most we will pay in any one occurrence under this Extension for loss or damage to "electronic data processing data and media":
 - (a) At or within 1,000 feet of the described is as follows:
 - (i) \$50,000 at all described premises unless a different Limit of Insurance or *Not Covered* is shown in the Declarations or Paragraph (ii) below applies;
 - (ii) When *Included* is shown in the Declarations as the Limit of Insurance, the insurance provided for such property is included in, and does not increase the Limit(s) of Insurance that otherwise apply to loss or damage to Your Business Personal Property and Personal Property of Others at the described premises where the loss occurs;
 - and
 - (b) At any other location where the insurance provided under this Coverage Form for Your Business Personal Property and Personal Property of Others applies, including while in transit, is included in and does not increase the Limit of Insurance that otherwise applies to loss or damage to

Your Business Personal Property and Personal Property of Others at that location or in transit. But, in no event will the amount we pay for such loss or damage to "electronic data processing data and media" under this Extension exceed the amount we would have paid had the loss to "electronic data processing data and media" occurred at or within 1,000 feet of the described premises.

h. Employee Tools

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to "employee tools" at the described premises or while in the care, custody or control of your employees at job sites or while in transit between these locations.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000, but not more than \$2,500 for any one item.

i. Extra Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable and necessary Extra Expense you incur, during the period of restoration, due to direct physical loss or damage to property at or within 1,000 feet of the described premises caused by or resulting from a Covered Cause of Loss.
- (2) If you occupy only a portion of a building in which the described premises are located, such premises include all routes within the building to gain access to the portion of the building which you own, rent, lease or occupy.
- (3) As used in this Extension:
 - (a) Extra Expense means necessary expenses you incur that you would not have incurred if there had been no direct physical loss or damage to property:
 - (i) To avoid or minimize the suspension of business and

to continue your normal business operations:

- At the described premises; or
 - At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
- (ii) To minimize the suspension of business if you cannot continue your normal business operations at the described premises; or
 - (iii) To the extent that it reduces the amount of loss that otherwise would have been payable under this Coverage Form:
 - To repair or replace any property;
 - To research, replace or restore the lost information on lost or damaged "electronic data processing data and media" or "valuable papers and records".
- (b) Period of restoration means the period of time that:
- (i) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - (ii) Ends on the earlier of:
 - The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - The date when business is resumed at a new permanent location.

Period of restoration does not include any increased period re-

quired due to the enforcement of any ordinance or law that:

- (i) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

- (4) The most we will pay for all Extra Expense in any one occurrence under this Extension is \$25,000.

j. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to "fine arts" at the described premises or in transit.
- (2) The most we will pay in any one occurrence under this Extension for loss of or damage to "fine arts":
 - (a) At or within 1,000 feet of the described premises is \$50,000; and
 - (b) While in transit is \$25,000.

k. Loss of Master Key

- (1) If a master key or key card to buildings, rooms or compartments that are Covered Property or house Covered Property is lost or damaged by a Covered Cause of Loss, you may extend the insurance provided by this Coverage Form to apply to the actual and necessary costs you incur to:
 - (a) Replace keys and either:
 - (i) Adjust existing locks to accept the new keys; or
 - (ii) Replace existing locks, but only if necessary or less expensive than the cost of adjusting the existing locks;

or

- (b) Re-program the key card access control device to accept replacement key cards.

- (2) With respect only to the insurance provided by this Extension, the following changes apply to the Exclusions in Section C. and Limitations in Section D. of this Coverage Form:

- (a) The exclusion of loss or damage caused by or resulting from dishonest or criminal act under Exclusion C.2.c. (Dishonesty) does not apply, except with respect to dishonest or criminal act by you or any of your partners, directors or trustees;

- (b) The exclusion of loss of property when there is no physical evidence to show what happened to the property under Limitations D.1.d. does not apply.

- (3) The most we will reimburse you for costs under this Extension is \$25,000 in total arising out of all occurrences occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

l. Newly Constructed or Acquired Property

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to:
 - (a) Your new buildings or additions while being built on the described premises or newly acquired premises including materials, equipment, supplies and temporary structures, on or within 1,000 feet of the premises;
 - (b) Buildings you acquire at locations other than the described premises; and
 - (c) Buildings which you become newly required to insure under a written contract.

The most we will pay for loss or damage to Buildings in any one occurrence under this Extension is \$2,000,000 at each building.

- (2) You may extend the insurance that applies to Your Business Personal

Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to that type of property at:

- (a) A building you newly acquire or construct at a location described in the Declarations; and
- (b) Any other location you acquire by purchase or lease (other than at "exhibitions").

The most we will pay for loss or damage to Your Business Personal Property and Personal Property of Others in any one occurrence under this Extension is \$1,000,000 in total at each newly acquired premises.

- (3) Insurance provided under this Extension for each newly acquired or constructed property will end when any of the following first occurs:
 - (a) This policy is cancelled or expires;
 - (b) 180 days expire after you acquire or begin to construct the property;
 - (c) You report values to us; or
 - (d) The property is more specifically insured.

We will charge you additional premium for values reported from the date construction begins or you acquire the property.

m. Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to trailers or semi-trailers that you do not own, provided that:
 - (a) The trailer or semi-trailer is used in your business;
 - (b) The trailer or semi-trailer is in your care, custody or control at the described premises; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer or semi-trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer or semi-trailer is attached to any motor vehicle or

motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or

- (b) During hitching or unhitching operations, or when a trailer or semi-trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.
- (4) This insurance is excess over the amount due from any other insurance covering such property, whether you can collect on it or not.

n. Outdoor Property

- (1) You may extend the insurance provided by this Coverage Form to apply to:
 - (a) Direct physical loss or damage to your outdoor:
 - (i) Fences;
 - (ii) Retaining walls that are not part of a building;
 - (iii) Lawns (including fairways, greens and tees), artificial turf (including underlayment) trees, shrubs and plants (other than "stock" of trees, shrubs or plants);
 - (iv) Bridges, walks, roadways, patios or other paved surfaces;

at the described premises caused by or resulting from a cause of loss described in (2) below;

and

- (b) The reasonable and necessary expense that you incur to remove debris of your outdoor property listed above and similar property of others at your described premises caused by a Cause of Loss listed in (2) below that occurs during the policy period. Such expenses will be paid only if they are reported to us in writing within 180 days of the direct physical loss or damage. Such payment will not increase the Limit of In-

insurance that applies to this Extension.

- (2) This Extension applies only if the loss or damage is caused by or results from the following causes of loss, and then only if they are a Covered Cause of Loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotion;
- (e) Aircraft;
- (f) Falling Objects; or
- (g) "Sinkhole Collapse".

- (3) The most we will pay for loss or damage and debris removal expense in any one occurrence under this Extension is \$25,000, but we will not pay more than \$2,500 for any one tree, shrub or plant.

o. Outside Signs

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to outside signs, whether or not attached to a building, at or within 1,000 feet of the described premises or at any und-described premises.

- (2) The most we will pay in any one occurrence under this Extension for loss or damage to all outside signs:

- (a) At or within 1,000 feet of the described premises is \$100,000;
- (b) At all und-described premises is \$5,000.

p. Personal Effects

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to personal effects or "fine arts" owned by your officers, your partners or your employees while such property is at the described premises.

- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000 at each described premises.

- (3) Our payment for loss or damage under this Extension will only be for the account of the owner of the property.

q. Personal Property At Premises Outside of the Coverage Territory

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to such property occurring at premises anywhere in the world outside of the Coverage Territory provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

- (2) This Extension does not apply to:

- (a) Personal property at an "exhibition";
- (b) Property at any installation site or at temporary storage premises awaiting installation;
- (c) Sales representative property; or
- (d) Personal property in transit.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

r. Personal Property In Transit Outside of the Coverage Territory

- (1) Unless otherwise indicated in the Declarations or by endorsement, you may extend the insurance provided for Personal Property in Transit in Section A.1.e. (including any mode of transportation or type of shipment exclusion), to apply to Your Business Personal Property and Personal Property of Others in your care, custody or control in transit anywhere in the world outside of the Coverage Territory provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

- (2) This Extension also applies to Covered Property in transit which is in the custody of your officers or employees.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.

s. Theft Damage to Rented Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by theft or attempted theft to:
 - (a) That part of any building at the described premises that you occupy, but do not own, and which contains the Covered Property; and
 - (b) Property within such non-owned building used for maintenance or service of the non-owned building.
- (2) This Extension applies only if you are a tenant and are required in your lease to cover the expense.
- (3) We will not be liable under this Extension for loss or damage by fire or explosion, or to glass (other than glass building blocks) or to any lettering, ornamentation or burglar alarm tape on glass.
- (4) Payment under this Extension will not increase the Limit of Insurance that applies to Your Business Personal Property at the described premises where the direct physical loss or damage occurs.

t. Undamaged Parts of Stock in Process

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to the reduction in value of undamaged parts of covered products or "stock" in process which become unmarketable. The reduction in value must be the direct result of direct physical loss or damage by a Covered Cause of Loss to other parts of the covered products or "stock" in process at the described premises.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

u. Valuable Papers and Records – Cost of Research

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged "valuable papers and records" for which duplicates do not exist. The loss or damage to "valuable papers and records" must be caused by a Covered Cause of Loss.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension:
 - (a) At or within 1,000 feet of the described premises is \$50,000; and
 - (b) While in transit or at all undscribed premises is \$25,000.

B. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is:

- 1. Excluded in Section C., Exclusions;
- 2. Limited in Section D., Limitations; or
- 3. Excluded or limited in the Declarations or by endorsement.

C. EXCLUSIONS

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. Exclusions C.1.a. through C.1.i. apply whether or not the loss event results in widespread damage or affects a substantial area.

a. Certain Computer-Related Losses

- (1) Failure, malfunction or inadequacy of:
 - (a) Any of the following, whether belonging to any insured or to others:
 - (i) Computer hardware, including microprocessors;
 - (ii) Computer application software;
 - (iii) Computer operating systems and related software;
 - (iv) Computer networks;

(v) Microprocessors (computer chips) not part of any computer system; or

(vi) Any other computerized or electronic equipment or components;

or

(b) Any other products and services, data or functions, that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph (1)(a) above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you to determine, rectify or test for, any potential or actual problems described in Paragraph (1) above.

If an excluded Cause of Loss as described in Paragraphs (1) and (2) above results in any of the "specified causes of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified causes of loss" or elevator collision.

We will not pay for repair, replacement or modification of any items in Paragraphs (1) and (2) above to correct any deficiencies or change in features.

b. Earth Movement

(1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:

(a) Earthquake, including tremors and aftershocks, and earth sinking, rising or shifting related to such event;

(b) Landslide, including any earth sinking, rising or shifting related to such event;

(c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

(d) Earth sinking (other than "sink-hole collapse"), rising, or shifting

including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface; or

(e) Volcanic eruption, explosion or effusion.

(2) If Earth Movement as described in:

(a) Paragraphs (1)(a) through (1)(d) above results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or

(b) Paragraph (1)(e) above, results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

(i) Airborne volcanic blast or airborne shock waves;

(ii) Ash, dust or particulate matter; or

(iii) Lava flow.

With respect to coverage for Volcanic Action as set forth in (i), (ii) and (iii) above, volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

(3) This exclusion does not apply to:

(a) Personal property in transit;

(b) Personal property at an "exhibition";

(c) Sales representative property; or

(d) Personal property in the custody of any officer or employee of the

insured while traveling outside of the Coverage Territory.

c. Fungus, Wet Rot or Dry Rot

Presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot.

But if "fungus", wet rot or dry rot results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided under the Limited Coverage for Fungus, Wet Rot or Dry Rot Additional Coverage.

d. Governmental Action

Seizure or destruction of property by order of governmental authority except as provided for under the Additional Coverage – Ordinance or Law Coverage.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

e. Intentional Loss

Any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, including insureds who did not commit or conspire to commit the act causing the loss.

f. Neglect

Neglect of an insured to use reasonable means to save and preserve property from further damage at and after the time of loss.

g. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire.

h. Ordinance or Law

(1) The enforcement of any ordinance or law:

- (a) Regulating the construction, use or repair of any property; or
- (b) Requiring the tearing down of any property, including the cost of removing its debris.

(2) This exclusion, Ordinance or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

i. Utility Services

The failure or fluctuation of power, communication, water or other utility service supplied to the described premises, however caused, if the failure or fluctuation:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure or fluctuation involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure or fluctuation of any utility service includes lack of sufficient capacity and reduction in supply.

But if the failure or fluctuation of power, communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause or Loss.

Communication services include service relating to Internet access or access to any electronic, cellular or satellite network.

j. Virus or Bacteria

- (1) Any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness or disease.

- (2) With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to "pollutants".

k. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

l. Water

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
 - (b) Mudslide or mudflow;
 - (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. However, this exclusion does not apply to the backup or overflow of water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by the Water Exclusions in Paragraphs (a) or (b) above or in Paragraphs (d) or (e) below.
 - (d) Water under the ground surface pressing on, or flowing or seeping through:
 - (i) Foundations, walls, floors or paved surfaces;
 - (ii) Basements, whether paved or not; or
 - (iii) Doors, windows or other openings; or

- (e) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (a), (c) and (d) above, or material carried or otherwise moved by mudslide or mudflow.

But if **Water**, as described in (a) through (e) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (2) This exclusion does not apply to:
 - (a) Personal property in transit;
 - (b) Personal property at an "exhibition";
 - (c) Sales representative property; or
 - (d) Personal property in the custody of any officer or employee of the insured while traveling outside of the Coverage Territory.

- 2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Collapse

- (1) Collapse, including any of the following conditions of property or any portion of the property:
 - (a) An abrupt falling down or caving in;
 - (b) Loss of structural integrity, including separation of portions of the property or property in danger of falling down or caving in; or
 - (c) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to Paragraphs (a) or (b) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

- (2) This Exclusion does not apply:
 - (a) To an abrupt collapse to the extent that coverage is provided under the Abrupt Collapse Additional Coverage in (3) below; or

(b) To collapse of Covered Property caused by one or more of the following:

- (i) Any of the "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
- (ii) Weight of rain that collects on a roof; or
- (iii) Weight of people or personal property.

(3) Abrupt Collapse Additional Coverage

The term Covered Cause of Loss includes abrupt collapse as described and limited under Paragraphs (a) through (g) below.

(a) As used in this Additional Coverage, abrupt collapse means abrupt falling down or caving in of a building or any portion of a building with the result that the building or portion of the building cannot be occupied for its intended purpose.

(b) We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any portion of a building that is insured under this Coverage Form, or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- (i) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (ii) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (iii) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;

(iv) Use of defective material or methods of construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in part by:

- A cause of loss listed in Paragraphs (3)(b)(i) or (3)(b)(ii) above;
- One or more of the "specified causes of loss";
- Breakage of building glass;
- Weight of people or property; or
- Weight of rain that collects on a roof.

(c) Abrupt collapse under Paragraphs (3)(a) and (b) above does not apply to:

- (i) A building or any portion of a building that is in danger of falling down or caving in;
- (ii) A portion of a building that is standing, even if it has separated from another portion of the building; or
- (iii) A building that is standing or any portion of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

(d) With respect to the following property:

- (i) Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts;
- (ii) Awnings, canopies, gutters, downspouts and fences;
- (iii) Yard fixtures;
- (iv) Outdoor swimming pools;
- (v) Bulkheads, pilings, piers, wharves and docks;

- (vi) Beach or diving platforms or appurtenances;
 - (vii) Retaining walls;
 - (viii) Underground pipes, flues or drains; and
 - (ix) Walkways, roadways and other paved surfaces;
- if abrupt collapse is caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above, we will pay for loss or damage to that property only if:
- (i) Such loss or damage is a direct result of the abrupt collapse of a building or any portion of a building insured under this Coverage Form; and
 - (ii) The property is Covered Property under this Coverage Form.
- (e) If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building or any portion of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- (i) The collapse of personal property was caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above;
 - (ii) The personal property which collapses is inside a building; and
 - (iii) The personal property which collapses is not of a kind listed in Paragraph (3)(d) above, regardless of whether that kind of property is considered to be personal property or real property.
- (f) This Abrupt Collapse Additional Coverage does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

(g) This Abrupt Collapse Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

b. Consequential Loss

- (1) Delay, loss of use or loss of market; or
- (2) Loss of business income or extra expense except as specifically provided in this Coverage Part.

c. Dishonesty

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees is not covered.

This exclusion does not apply to carriers for hire.

d. Electrical Damage or Disturbance

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

Electrical, magnetic or electromagnetic energy includes:

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (3) Pulse of electromagnetic energy;
- (4) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

This Exclusion does not apply to loss or damage to "electronic data processing

equipment" or "electronic data processing data and media".

e. Explosion

Explosion of steam boilers, steam generators, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam generators, steam pipes, steam engines, or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Exposed Property

Rain, snow, sand, dust, ice or sleet to personal property in the open (other than to property in the custody of a carrier for hire).

g. Freezing

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning, ventilation or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

h. Liquid Seepage or Leakage

Continuous or repeated seepage or leakage of water or other liquid, or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 days or more.

i. Other Types of Losses

- (1) Wear and tear;
- (2) Rust, or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking, bulging or expansion;

(5) Nesting or infestation or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media";

(7) The following causes of loss to personal property:

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature;
- (c) Changes in flavor, color, texture or finish;
- (d) Contamination by other than "pollutants"; and
- (e) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs (1) through (7) above results in any of the "specified causes of loss" or building glass breakage, we will pay for the loss or damage caused by such "specified causes of loss" or building glass breakage.

Also, if an excluded cause of loss listed in Paragraphs (1) through (5) or (7) above results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment".

j. Pollution

Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

k. Smoke, Vapor or Gas

Smoke, vapor or gas from agricultural smudging or industrial operations.

This exclusion does not apply to emissions or puff backs of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

l. Voluntary Parting

Voluntary parting with any property by you or anyone else to whom you have entrusted the property.

This Exclusion does not apply to insurance provided under this Coverage Form for personal property in transit if the loss to Covered Property is caused by your acceptance, in good faith, of false bills of lading or shipping receipts.

3. We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.**, but if an excluded cause of loss that is listed in **3.a.** and **3.b.** below results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **C.1.** above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body except as provided in the Additional Coverage -- Ordinance or Law Coverage.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property on or off the described premises.

If an excluded cause of loss that is listed in **3.c.** above results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

(1) Any cost of:

(a) Correcting or making good the fault, inadequacy or defect itself; or

(b) Tearing down, tearing out, repairing or replacing any part of any property to correct the fault, inadequacy or defect;

except as specifically provided under the Water or Other Substance Loss -- Tear Out and Replacement Expense Additional Coverage; or

(2) Any resulting loss or damage by a Covered Cause of Loss to the property that has the fault, inadequacy or defect until the fault inadequacy or defect is corrected.

4. Special Exclusions

The following exclusions apply only with respect to the specified coverage or property.

a. Accounts Receivable

Under the Accounts Receivable Coverage Extension, we will not pay for:

(1) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions;

(2) Any loss or damage that requires an audit of records or an inventory computation to prove its factual existence; or

(3) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. But this exclusion only applies to the wrongful giving, taking or withholding.

b. Valuable Papers and Records

We will not pay for any loss of or damage to "valuable papers and records" caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.

(1) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;

- (2) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion; or
- (3) Unauthorized instructions to transfer property to any person or place.

c. Electronic Data Processing Equipment and Electronic Data Processing Data and Media

- (1) We will not pay for loss of or damage to "electronic data processing equipment", any other programmable electronic machines, "electronic data processing data and media" or other electronic data caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.
 - (a) Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine result in any of the "specified causes of loss" or result in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment";
 - (b) Unauthorized viewing, copying or use of "electronic data processing data and media" by any person, even if such activity is characterized as theft;
 - (c) Errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is

connected or on which your system depends (including the electronic data in such system or network) results in any of the "specified causes of loss" or results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment"; or

- (d) Unexplained or indeterminable failure, malfunction or slowdown of any electronic data processing system or network, including the electronic data in such system or network, and the inability to access or properly manipulate the electronic data.

- (2) We will not pay for loss of or damage to "electronic data processing data and media" or other electronic data while being sent electronically. In addition, we will not pay for any loss that is a consequence of such loss or damage.

5. Additional Exclusion

The following exclusion applies only to loss or damage to the specified property and to loss that is a consequence of such loss or damage to the specified property.

Loss or Damage to Products

We will not pay for loss of or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance, or quality of the product. But, if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

D. LIMITATIONS

The following limitations apply to all coverage forms and endorsements unless otherwise stated.

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The "interior of a building or structure", or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
This limitation does not apply to property in the custody of a carrier for hire.
 - e. Property that has been transferred to a person or place outside the described premises on the basis of unauthorized instructions.
 - f. Trees, shrubs, plants or lawns on a vegetative roof or "stock" of outdoor trees, shrubs and plants caused by or resulting from:
 - (1) Dampness or dryness of atmosphere;
 - (2) Changes in or extremes of temperature; or
 - (3) Rain, snow, sand, dust, ice or sleet.

2. The special limit shown for each category, **a.** through **c.**, is the total limit for loss of or damage to all property in each category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
 - a. \$25,000 for furs, fur garments and garments trimmed with fur.
 - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals, but;
 - (1) This limit is increased to \$50,000 for gold, silver, platinum, and other precious alloys or metals used as a raw material in your manufacturing process; and
 - (2) This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$5,000 for stamps, tickets (including lottery tickets held for sale) and letters of credit.
These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

3. If the building where loss or damage occurs has been "vacant" for a period of more than 60 consecutive days before that loss or damage occurs:
 - a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (1) Vandalism;
 - (2) Sprinkler leakage, unless you have protected the system against freezing;
 - (3) Building glass breakage;
 - (4) Water damage;
 - (5) Theft; or
 - (6) Attempted theft.
 - b. With respect to Covered Causes of Loss other than those listed in **a.(1)** through **a.(6)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

E. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedules, Coverage Form(s), or Endorsement(s).

Payments under:

1. The following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Fire Protective Equipment Discharge;
 - c. Limited Coverage for Fungus, Wet Rot or Dry Rot;
 - d. Stored Water; and
 - e. Water or Other Substance Loss – Tear Out and Replacement Expense;and
2. The following Coverage Extensions:
 - a. Covered Leasehold Interest – Undamaged Improvements and Betterments; and
 - b. Theft Damage To Rented Property;

are included in and do not increase the applicable Limits of Insurance.

Payments under the Debris Removal Additional Coverage and the Preservation of Property Additional Coverage are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Debris Removal Additional Coverage in Section A.3.a. and the Preservation of Property Additional Coverage in Section A.3.j.

Payments under the Electronic Data Processing Data and Media Coverage Extension are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Electronic Data Processing Data and Media Coverage Extension in Section A.4.g.

The remaining Additional Coverages in Section A.3. and the remaining Coverage Extensions in Section A.4. are additional insurance.

F. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the applicable Deductible, up to the applicable Limit of Insurance.

Unless otherwise stated, if more than one deductible amount applies to loss or damage in any one occurrence, the total of the deductible

amounts applied in that occurrence will not exceed the amount of the largest applicable deductible.

G. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties in the Event of Loss or Damage

a. You must see that the following are done in the event of loss of or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set

the damaged property aside and in the best possible order for examination.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property and records proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent except as respects to protecting property from further damage.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property subject to **b.**, **c.**, **d.** and **e.** below;
 - (3) Take all or any part of the property at an agreed or appraised value; or

- (4) Repair, rebuild, or replace the property with other property of like kind and quality subject to **b.**, **c.**, **d.** and **e.** below.

- b. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable Coverage Part provisions including Limits of Insurance, the Valuation Loss Condition and all other provisions of this Loss Payment Loss Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Additional Condition – Transfer of Rights of Recovery Against Others To Us in this Coverage Form.
- c. Except as provided in the Additional Coverage - Ordinance or Law Coverage, the cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- d. The following loss payment provisions are subject to the apportionment procedures set forth in Additional Coverage – Ordinance or Law Coverage:

The most we will pay, for the total of all covered losses in any one occurrence under Coverage **A** – Coverage For Loss To The Undamaged Portion of the Building, Coverage **B** – Demolition Cost Coverage and Coverage **C** – Increased Cost of Construction Coverage, is the Combined Limit of Insurance shown in the Declarations for Ordinance or Law Coverage. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- (1) For a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that undamaged portion of the building will be determined as follows:
- (a) If Replacement Cost Coverage applies and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
 - (i) The cost to repair, rebuild or reconstruct the undamaged portion of the building that was necessarily demolished as a consequence of the ordinance or law but not for more than the amount it would cost to restore that undamaged portion of the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
 - (b) If Replacement Cost Coverage applies and the property is not repaired or replaced, or if Replacement Cost Coverage does not apply, we will not pay more than the lesser of:
 - (i) The Actual Cash Value at the time of loss of the undamaged portion of the building that is required to be demolished as a consequence of the ordinance or law; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
- (2) Loss payment under Coverage **B** will be determined as follows:
- (a) The amount you actually spend to demolish and clear the site; or
 - (b) The Combined Limit of Insurance shown in the Declarations for the
- Additional Coverage – Ordinance or Law Coverage;
- whichever is less.
- (3) Loss payment under Coverage **C** will be determined as follows:
- (a) We will not pay under Coverage **C**:
 - (i) Until the property is actually repaired or replaced, at the same or another location; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay under Coverage **C** is the lesser of:
 - (i) The increased cost of construction at the same location; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
 - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage **C** is the lesser of:
 - (i) The increased cost of construction at the new location; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
- e. Except as specifically provided under the:
- (1) Green Building Alternatives – Increased Cost Additional Coverage; and
 - (2) Green Building Reengineering and Recertification Expense Additional Coverage;

the cost to repair, rebuild or replace does not include any cost incurred to regain a pre-loss level of "green building" certification from a "Green Authority".

- f. With respect to our options listed in 4.a.(1) through 4.a.(4) above, we will give notice of our intentions within 30 days after we receive the proof of loss.
- g. We will not pay you more than your financial interest in the Covered Property.
- h. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
- i. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- j. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:
 - (1) You have complied with all of the terms of this Coverage Part; and
 - (2) (a) We have reached agreement with you on the amount of loss; or
 - (b) An appraisal award has been made.
- k. At our option, we may make a partial payment toward any claims, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable policy deductibles must be satisfied before any partial payments are made.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property.

- a. We will pay:
 - (1) Recovery expenses; and
 - (2) Costs to repair the recovered property;
- b. But the amount we will pay will not exceed:

- (1) The total of a.(1) and a.(2) above;
 - (2) The value of the recovered property; or
 - (3) The Limit of Insurance;
- whichever is less.

6. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation Loss Condition. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.
 - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
 - (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$10,000.

- (3) We will not pay more for loss or damage on a replacement cost basis than the least of (a), (b), or (c), subject to (4) below:
 - (a) The Limit of Insurance applicable to the lost or damaged property;
 - (b) The cost to replace, at the same premises, the lost or damaged property with other property;
 - (i) Of comparable material and quality; and

(ii) Used for the same purpose;
or

(c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different premises, the cost described in (b) above is limited to the cost which would have been incurred had the building been built at the original premises.

(4) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as provided in the Additional Coverage - Ordinance or Law Coverage.

b. "Electronic data processing equipment" will be valued at replacement cost as of the time and place of loss, in accordance with the replacement cost provisions contained in this Valuation Loss Condition. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value determined for:

- (1) "Electronic data processing equipment" owned by others exceed the amount for which you are liable; or
- (2) "Electronic data processing equipment" that is obsolete or no longer used by you exceed the actual cash value of such equipment at the time of loss.

c. "Electronic data processing data and media" will be valued at:

- (1) The cost of blank media; and
- (2) The cost of labor to copy the electronic data from a duplicate of the electronic data, but only if the lost electronic data is actually copied.

The restoration of "electronic data processing data and media" for which duplicates do not exist is provided under the

Electronic Data Processing Data and Media Coverage Extension.

d. Tenant's improvements and betterments at:

(1) Replacement cost of the lost or damaged property if it is actually repaired or replaced as soon as reasonably possible.

(2) A proportion of your original cost if you do not make repairs as soon as reasonably possible. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

e. Personal property you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

f. Personal property of others at the lesser of:

(1) The valuation of such property if it were owned by you; or

(2) The amount for which you are contractually liable, not to exceed the replacement cost.

g. "Stock" in process at the cost of raw materials and labor, plus the proper proportion of overhead charges.

h. Finished "stock" you manufacture at:

(1) The selling price, as if no loss or damage occurred;

(2) Less discounts and expenses you otherwise would have had.

i. Personal property in transit at:

(1) (a) The amount of invoice; or

- (b) In the absence of an invoice, the least of the following:
 - (i) The value of the Covered Property;
 - (ii) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
 - (iii) The cost of replacing that property with substantially the same property;
 plus
 - (2) The amount of any prepaid freight charges and other shipping costs or charges that are incurred while the property is in transit.
- j. Glass at:
 - (1) The cost of replacement with safety glazing material if required by law; plus
 - (2) The amount of reasonable expenses incurred to put up temporary plates or board up openings if repair or replacement of the damaged glass is delayed.
- k. "Valuable papers and records" at the cost of:
 - (1) Blank material for reproducing the records; and
 - (2) Labor to transcribe or copy records for which duplicates exist.
 The restoration of data on "valuable papers and records" for which duplicates do not exist is provided under the Valuable Papers and Records – Cost of Research Coverage Extension.
- l. Works of arts, antiques or rare articles at the least of:
 - (1) The price at which the property could likely be sold prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred;
 - (2) The cost of reasonably restoring that property; or
 - (3) The cost of replacing that property with substantially the same property.
- m. Personal property at "exhibitions" at the lesser of replacement cost or the original cost to you.
- n. Patterns, dies, molds, and forms not in current usage at actual cash value. If loss is paid on an actual cash value basis, and within 24 months from the date of the loss you need to repair or replace one or more of them, we will pay you, subject to the conditions of this insurance, the difference between actual cash value and replacement cost for those patterns, molds and dies which are actually repaired or replaced.
- o. Personal property valuation includes the pro-rated value of non-refundable and non-transferable extended warranties, maintenance contracts or service contracts that you purchased, on lost or damaged personal property that you repair or replace. This applies only when the extended warranty, maintenance contract or service contract is voided due to the loss or damage to the personal property.
- p. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss and we take all or part of the property at an agreed or appraised value, we will pay, subject to the Limit of Insurance that applies to the damaged property:
 - (1) The reasonable expenses you incur to:
 - (a) Stamp the word *Salvage* on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 - (b) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.
 - (2) The reduction in the salvage value of the damaged merchandise with the brand or label removed.
- q. If you decide to repair or rebuild buildings which have sustained loss or damage, our payment will include any reasonable and necessary architectural, engineering, consulting or supervisory fees incurred. This will not increase the applicable Limits of Insurance.
- r. Pairs, sets or parts:
 - (1) In case of loss to any part of a pair or set we may at our option:

- (a) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (b) Pay the difference between the value of the pair or set before and after the loss.
- (2) In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

1. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Part;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

2. Control of Property

The breach of any condition of this Coverage Part as a result of act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

3. Currency

The amounts used within this Coverage Part are in the currency of the United States of America and all premium and losses are payable in United States currency. In the event of a loss adjustment involving currency other than United States currency, the conversion into United States currency will be at the published rate of exchange as of the date of the loss.

4. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- a. There has been full compliance with all of the terms of this Coverage Part; and

- b. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

5. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

6. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
 - (2) 60 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 60 days before the expiration date of this policy.

7. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

8. Other Insurance

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph a. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this Coverage Part will be excess over any amounts payable under such agreement. Service agreement means a service plan, property restoration plan, or similar ser-

vice warranty agreement, even if it is characterized as insurance.

9. Policy Period, Coverage Territory

Under this Coverage Part:

- a. We cover loss or damage commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the Coverage Territory.
- b. Except as otherwise specifically provided, the Coverage Territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

10. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss under this Coverage Part.
- b. After a loss under this Coverage Part only if, at time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant.

This will not restrict your insurance.

11. Unintentional Errors In Description

Your error in how you describe the address of a location in the Location Schedule shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

I. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. **Actual Cash Value** replaces the term Replacement Cost where used in the Valuation Loss Conditions in Section G.6. of this Coverage Form.

2. **Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance; times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08); times
 - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example:

If:
 The applicable Limit of Insurance is: \$100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of the increase is: \$100,000 x .08 x 146/365 = \$3,200

J. **DEFINITIONS**

1. **"Electronic Data Processing Data and Media"** means the following:

- a. "Electronic data processing data and media" means:
 - (1) Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer

software which are used with electronically controlled equipment;

- (2) The electronic media on which the data is stored; and
- (3) Programming records and instructions used with "electronic data processing equipment".

b. "Electronic data processing data and media" does not mean:

- (1) Prepackaged software;
- (2) Property that you manufacture or hold for sale; or
- (3) Property that is licensed, leased, or rented to others.

2. **"Electronic Data Processing Equipment"** means the following:

a. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:

- (1) Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and
- (2) Any component parts or peripherals of such equipment, including related surge protection devices.

b. "Electronic data processing equipment" does not mean:

- (1) Property that is in the course of manufacture, or held for sale or distribution by you;
- (2) Property that is leased or rented to others; or
- (3) Equipment that is used to control or operate production-type machinery or equipment.

3. **"Employee Tools"** means tools and equipment owned by your employees and used in your business operations.

4. **"Exhibition"** means the temporary display of personal property at a convention, exposition, trade show or similar event at a location you do not own or regularly occupy.

5. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac and

similar property of rarity, historical value, or artistic merit.

6. **"Fungus"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by fungi.
7. **"Green"** means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact.
8. **"Green Authority"** means a recognized authority on "green" building or "green" products, materials or processes.
9. **"Interior of a Building or Structure"** means any portion of a building or structure that is within the exterior-facing surface material of the building or structure.
10. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including but not limited to asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
11. **"Sinkhole Collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.
This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man made underground cavities.
12. **"Specified Causes of Loss"** means the following: Fire; lightning; explosion; windstorm or hail; smoke (including the emission or puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; "water damage", all only as otherwise insured against in this Coverage Part.

Falling objects does not include loss or damage to:

- a. Personal property in the open; or

- b. The "interior of a building or structure", or property inside a building or structure, unless the roof or an exterior wall of the building or structure is first damaged by a falling object.

When the Causes of Loss – Earthquake endorsement, Causes of Loss – Earthquake Sprinkler Leakage endorsement or Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, "specified causes of loss" also includes such cause of loss, but only to the extent such cause of loss is insured against under this Coverage Part.

13. **"Stock"** means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
14. **"Territorial Waters"** means that portion of the sea which is immediately adjacent to the shores of any country and over which the sovereignty and exclusive jurisdiction of that country extends, but not exceeding 12 nautical miles from the mean low-water mark of the shore of that country.
15. **"Vacant"** means the following:
 - a. When this policy is issued to a tenant, a building is "vacant" when it does not contain enough business personal property to conduct customary operations. With respect to tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant.
 - b. When this policy is issued to the owner or general lessee of a building, a building is "vacant" unless at least 31% of its total square footage is:
 - (1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - (2) Used by the building owner to conduct customary operations.With respect to the owner or general lessee's interest in Covered Property, building means the entire building.
 - c. A building under construction or renovation is not considered "vacant".
16. **"Valuable Papers and Records"** means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps and mortgages.

But "Valuable papers and records" does not mean:

- a. Accounts receivable;
- b. Money or securities; or
- c. "Electronic data processing data and media" or any other data that exists on electronic media.

17. "Water damage" means:

- a. Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts)

that is located on the described premises and contains water or steam; and

- b. Accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises, if the breakage or cracking is caused by wear and tear. This provision serves as an exception to the wear and tear exclusion under the Other Types of Losses Exclusion in Section (C.2.i.). But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion (C.1.i.).

DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION G. – DEFINITIONS in this Coverage Form and SECTION J. – DEFINITIONS in the Deluxe Property Coverage Form.

A. COVERAGE

We will pay for:

- The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- The actual Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- The portion of the building which you rent, lease or occupy; and
- Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

1. Business Income

- a. Business Income means the sum of the:
- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; plus
 - (2) Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

- b. The coverage provided for Business Income is based on the entry shown in the Declarations for "Rental Value". When:

- (1) *Included* is shown, the term Business Income includes "Rental Value";
- (2) *Excluded* is shown, the term Business Income excludes "Rental Value";
- (3) *Only* is shown, the term Business Income means "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

2. Extra Expense

Extra Expense means reasonable and necessary expenses described in **a.**, **b.** and **c.** below that you incur during the "period of restoration" and that you would not have incurred if there had been no direct physical loss of or damage to property caused by or resulting from a Covered Cause of Loss:

- a. Expenses to avoid or minimize the "suspension" of business and to continue "operations" at:
- (1) The described premises; or
 - (2) Replacement premises or temporary locations, including:
 - (a) Relocation expenses; and
 - (b) Costs to equip and operate the replacement premises or temporary locations;
- b. Expenses to minimize the "suspension" of business if you cannot continue "operations"; or
- c. Expenses to repair or replace property, but only to the extent the amount of loss that otherwise would have been payable under this Coverage Form is reduced.

3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded or limited in:

- a. Section C. Exclusions or Section D. Limitations of the Deluxe Property Coverage Form; or
- b. Section B. Exclusions and Limitation of this Coverage Form; or
- c. In the Declarations or by endorsement.

4. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

a. Alterations and New Buildings

We will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred. This change in the start of the "period of restoration" does not apply to Extra Expense.

b. Business Income From Dependent Property

- (1) We will pay for:
 - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "op-

erations" during the "period of restoration"; and

- (b) The actual Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or damage to property at the premises of a "dependent property" located anywhere in the world provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering such loss. The loss or damage to the property must be caused by or result from a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to "dependent property" for which you have more specific insurance under this or any other policy.
- (3) The most we will pay in any one occurrence under this Additional Coverage for loss of Business Income and Extra Expense arising out of damage to property at the premises of a "dependent property" located:
 - (a) Within the Coverage Territory is \$100,000; and
 - (b) Anywhere in the world outside of the Coverage Territory is \$100,000.
- (4) With respect only to the insurance provided under this Additional Coverage, the phrase, *at the described premises*, as used in the definition of "period of restoration" is deleted and replaced by the phrase *at the premises of a "dependent property"*.

c. Civil Authority

- (1) When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:
 - (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and

the described premises are within that area but are not more than 100 miles from the damaged property; and

- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- (2) Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to thirty consecutive days from the date on which such coverage began.
- (3) Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:
 - (a) Thirty consecutive days after the date of that action; or
 - (b) When your Civil Authority Coverage for Business Income ends;whichever is later.

d. Contract Penalties

- (1) We will pay for Contract Penalties you incur due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" of your "operations" must be caused by direct physical loss or damage by a Covered Cause of Loss to property at the described premises, including "finished stock" and personal property in the open (or in a vehicle) within 1,000 feet of the described premises.
- (2) As used in this Additional Coverage, Contract Penalties means amounts which, under the terms of a written contract that is in effect at the time of the direct physical loss or damage, you are required to pay to your customers for failure to deliver your products or services on time.

- (3) The most we will pay for all Contract Penalties incurred in any one occurrence under this Additional Coverage, regardless of the number of contracts involved is \$25,000.

e. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this Coverage Part, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the Business Income amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 180 consecutive days after the date determined in (1)(a) above, unless otherwise stated in the Declarations or by endorsement.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss of or damage to property at the described premises caused by or resulting from a Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 180 consecutive days after the date determined in (2)(a) above, unless otherwise stated in the Declarations or by endorsement.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss.

f. Fungus, Wet Rot or Dry Rot – Amended Period of Restoration

- (1) The coverage described in f.(2) and f.(3) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs at the described premises during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) If the cause of loss at the described premises which results in "fungus", wet rot or dry rot does not, in itself, necessitate a "suspension" of "operations", but such "suspension" of "operations" is necessary due to loss or damage to property at the described premises caused by "fungus", wet rot or dry rot, then our payment for loss of Business Income and Extra Expense is limited to the actual amount

of such loss and expense sustained during a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.

- (3) If a covered "suspension" of "operations" is caused by a cause of loss at the described premises other than "fungus", wet rot or dry rot, but remediation of resulting loss by "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for the actual loss of Business Income and the actual Extra Expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.

- (4) The Fungus, Wet Rot or Dry Rot exclusion in Section C.1.c. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.

g. Green Building Alternatives – Increased Period of Restoration

If direct physical loss or damage by a Covered Cause of Loss occurs to a building at a described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" that is incurred to:

- (1) Repair or replace the lost or damaged portions of the building using products or materials that:
 - (a) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with the documented standards of a "Green Authority"; and
 - (b) Are otherwise of comparable quality and function to the damaged property;
- and
- (2) Employ "green" methods or processes of construction, disposal or recycling in the course of repair and replacement of the lost or damaged

building, in accordance with the documented standards of a "Green Authority";

subject to a maximum of 30 additional days, unless another number of days is shown in the Declarations, from the date the "period of restoration" would otherwise have ended.

h. Ordinance or Law – Increased Period of Restoration

(1) If direct physical loss or damage by a Covered Cause of Loss occurs to property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" caused by or resulting from the enforcement of any ordinance or law which:

- (a) Regulates the construction or repair of any property;
- (b) Requires the tearing down of parts of property not damaged by a Covered Cause of Loss; and
- (c) Is in force at the time of loss.

However, this Additional Coverage applies only to the increased period required to repair or reconstruct the property to comply with the minimum standards of such ordinance or law.

(2) This Additional Coverage does not apply to any loss caused by or resulting from:

- (a) The enforcement of any ordinance or law which requires:
 - (i) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or
 - (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollut-

ants", "fungus", wet rot or dry rot;

or

(b) The enforcement of any ordinance or law which:

- (i) You were required to comply with before the loss, even if the building was undamaged; and

(ii) You failed to comply with.

(3) The Ordinance or Law exclusion in Section C.1.h. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.

(4) The most we will pay for loss and expense in any one occurrence under this Additional Coverage is \$250,000.

5. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit of Insurance stated in this Coverage Form, unless a different Limit of Insurance or *Not Covered* is indicated in the Declarations, or the coverage is otherwise amended by endorsement:

a. Claim Data Expense

(1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in the preparation of claim data when we require it to adjust a covered loss. This includes the cost of preparing income statements and other documentation to show the extent of loss.

(2) We will not pay for:

- (a) Any expenses incurred, directed or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
- (b) Any costs as provided in the Appraisal Loss Condition; or
- (c) Any expenses incurred, directed or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

(3) The most we will pay in any one occurrence under this Extension is \$25,000.

b. Ingress or Egress

(1) You may extend the insurance provided by this Coverage Form for:

(a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and

(b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur when ingress to or egress from the described premises is prevented (other than as provided in the Civil Authority Additional Coverage).

(2) The prevention of ingress to or egress from the described premises must be caused by direct physical loss or damage by a Covered Cause of Loss to property that is away from, but within 1 mile of the described premises, unless a different number of miles is shown in the Declarations. This coverage will apply for up to 30 consecutive days from the date when the ingress or egress is first prevented.

(3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

c. Newly Acquired Locations

(1) You may extend the insurance provided by this Coverage Form for:

(a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and

(b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property (including property under construc-

tion) at any location you newly acquire by purchase, lease or otherwise, other than at "exhibitions".

(2) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$500,000 at each newly acquired location.

(3) With respect only to the insurance provided under this Extension, the phrase, *at the described premises*, as used in the definition of "period of restoration" is deleted and replaced by the phrase *at a newly acquired location*.

(4) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(a) This policy expires;

(b) 180 days expire after you acquire or begin to construct the property;

(c) You report the location to us; or

(d) Coverage for Business Income and Extra Expense at the location is more specifically insured.

We will charge you additional premium for values reported from the date you acquire the property.

d. Pollutant Cleanup and Removal

(1) You may extend the insurance provided by this Coverage Form for:

(a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and

(b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur during the increased period of time necessarily required to extract "pollutants" from land or water at the described premises.

(2) The insurance provided under this Extension applies only if the discharge, dispersal, seepage, migration, release or escape of the "pollut-

ants" into the land or water is caused by or results from direct physical loss or damage by any of the "specified causes of loss" which occurs:

- (a) To property at the described premises that is Covered Property under the Deluxe Property Coverage Form of this policy; and
 - (b) During the Policy Period.
- (3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred arising out of all "specified causes of loss" that occur during each separate 12 month period of this policy (beginning with the effective date of this policy), is \$25,000.

e. Transit Business Income

- (1) You may extend the insurance provided by this Coverage Form for:
- (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
 - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property while in the due course of transit at your risk within the Coverage Territory.

- (2) This Extension does not apply to loss caused by or resulting from loss of or damage to:
- (a) Shipments by a government postal service, except by registered mail;
 - (b) Export and import shipments while covered under an ocean marine cargo or other insurance policy;
 - (c) Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

(d) Property of others for which you are responsible while acting as a common or contract carrier, car-loader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;

(e) Property within a conveyance or container caused by theft while the conveyance or container is unattended unless the portion of the conveyance or container containing the property is fully enclosed and securely locked, and the theft is by forcible entry of which there is visible evidence; or

(f) The transporting conveyance.

(3) With respect only to the insurance provided under this Extension, the phrase, *at the described premises*, as used in the definition of "period of restoration" is deleted and replaced by the phrase *in the due course of transit*.

(4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

f. Undescribed Premises

(1) You may extend the insurance provided by this Coverage Form for:

(a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and

(b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property at Undescribed Premises, as defined in (2) below.

(2) Undescribed Premises, as used in this Extension, means premises:

(a) Owned, leased or operated by you; or

- (b) Not owned, leased or operated by you, where your business personal property or business personal property of others in your care custody or control is located; that are within the Coverage Territory and not described in the Declarations nor reported to or accepted by us for coverage under this Coverage Form.
- (3) This Extension does not apply to loss caused by or resulting from loss or damage to property:
 - (a) At the premises of a "dependent property";
 - (b) At any location to which the Newly Acquired Locations Coverage Extension applies; or
 - (c) In the due course of transit.
- (4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.
- (5) With respect only to the insurance provided under this Extension, the phrase *at the described premises*, as used in the definition of "period of restoration", is replaced by the phrase *at Undescribed Premises*.

B. EXCLUSIONS AND LIMITATION

The following exclusions and limitation apply in addition to the exclusions and limitations contained in the Deluxe Property Coverage Form.

1. Exclusions

We will not pay for:

- a. Any loss caused by or resulting from:
 - (1) Damage or destruction of "finished stock"; or
 - (2) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense or to the insurance provided under the Contract Penalty Additional Coverage.
- b. Any loss caused by or resulting from direct physical loss of or damage to the following property:
 - (1) Harvested grain, hay, straw or other crops while outside of buildings;

- (2) Outdoor trees, shrubs, plants, lawns (including fairways, greens and tees), artificial turf and associated underlayment, growing crops, land or water;
 - (3) Communication, radio or television antennas (including satellite dishes), and their lead-in wiring, masts or towers;
 - (4) Animals, unless the loss is caused by or results from a "specified cause of loss", and then only if, as a direct result of the "specified cause of loss", the animals are killed or their death or destruction is made necessary; or
 - (5) Human body parts and fluids, including organs, tissues, blood and cells.
- c. Any increase of loss caused by or resulting from:
- (1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (2) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage or any variation thereof.
- d. Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
 - e. Any other consequential loss including fines and penalties, except as specifically provided under the Contract Penalties Additional Coverage.
- 2. Limitation – Electronic Media and Records**
- a. We will not pay for any loss of Business Income caused by direct physical loss of or damage to electronic media and records after the longer of:
 - (1) 60 consecutive days from the date of direct physical loss or damage; or

- (2) The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises (or other location of the loss to which this insurance applies) which suffered loss or damage in the same occurrence.

This Limitation does not apply to Extra Expense.

b. Electronic Media and Records are:

- (1) Electronic data processing, recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment;
- (2) Data stored on such media; or
- (3) Programming records used for electronic data processing or electronically controlled equipment.

EXAMPLE NO. 1

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the computer data that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

EXAMPLE NO. 2

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 - September 29 (60 consecutive days). Loss during the period September 30 - October 15 is not covered.

C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedules, Coverage Form(s), or Endorsement(s).

Payments under:

1. The following Additional Coverages:

- a. Alterations and New Buildings;
- b. Civil Authority;
- c. Extended Business Income;
- d. Fungus, Wet Rot or Dry Rot – Amended Period of Restoration;
- e. Green Building Alternatives – Increased Period of Restoration;

and

2. The Ingress or Egress Coverage Extension; are included in and do not increase the applicable Limits of Insurance.

The remaining Additional Coverages in Section A.4. and the remaining Coverage Extensions in Section A.5. are additional insurance.

D. DEDUCTIBLE

1. An hour deductible applies to your Business Income coverage. We will not pay for loss of Business Income in any one occurrence that is incurred during the period of time that:
 - a. Begins at the time of direct physical loss or damage that triggers the Business Income coverage; and
 - b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour deductible.
2. The Business Income hour deductible described in 1. above does not:
 - a. Apply to or alter the coverage period that applies to the Business Income coverage provided under the Civil Authority Additional Coverage; or
 - b. Apply to the Contract Penalties Additional Coverage.
3. If a separate dollar deductible applies to other loss or damage in that same occurrence under this Coverage Part, such dollar deductible will apply to that other loss or damage and only the hourly deductible will apply to your loss of Business Income.
4. No deductible applies to Extra Expense.

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe, the Loss Condition – Duties in the Event of Loss in the Deluxe Property Coverage Form and the Additional Conditions in the Deluxe Property Coverage Form:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties in the Event of Loss – Additional Duty

The following duty applies in addition to the duties specified in the Loss Condition – Duties in the Event of Loss in the Deluxe Property Coverage Form:

If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business as a result of favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses necessary to resume "operations" with the same quality of service that existed just be-

fore the direct physical loss or damage; and

- (4) Other relevant sources of information, including:

- (a) Your financial records and accounting procedures;
- (b) Bills, invoices and other vouchers; and
- (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All reasonable and necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (2) All reasonable and necessary expenses that reduce the Extra Expense loss that otherwise would have been incurred.

c. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations" in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere and, with respect to the Business Income From Dependent Property Additional Coverage, by using any other available source of materials or outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- a. You have complied with all of the terms of this Coverage Part; and
- b. (1) We have reached agreement with you on the amount of loss; or
(2) An appraisal award has been made.

| | |
|--------------|-----------------|
| Days 1 – 30 | \$40,000 |
| Days 31 – 60 | \$20,000 |
| Days 61 – 90 | <u>\$30,000</u> |
| | \$90,000 |

We will pay:

| | |
|--------------|-----------------|
| Days 1 – 30 | \$30,000 |
| Days 31 – 60 | \$20,000 |
| Days 61 – 90 | <u>\$30,000</u> |
| | \$80,000 |

The remaining \$10,000 is not covered.

F. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period of Indemnity

The most we will pay for the total loss of Business Income, including the Extended Business Income Additional Coverage, and Extra Expense is the lesser of:

- a. The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- b. The Limit of Insurance shown in the Declarations.

2. Monthly Limit of Indemnity

The most we will pay for loss of Business Income, including the Extended Business Income Additional Coverage, in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown in the Declarations for this Optional Coverage.

EXAMPLE:

When: The Limit of Insurance is: \$120,000

The fraction shown in the Declarations for this Optional Coverage is: 1/4

The most we will pay for loss in each period of 30 consecutive days is:

$\$120,000 \times 1/4 = \$30,000$

If in this example, the actual amount of loss is:

3. Ordinary Payroll Exclusion or Limitation

a. When the Declarations shows:

- (1) Ordinary Payroll is excluded, the Business Income coverage provided for continuing normal operating expenses incurred does not include Ordinary Payroll;
- (2) Ordinary payroll is limited to a specified number of days, the Business Income coverage provided for continuing normal operating expenses incurred only includes Ordinary Payroll for the specified number of days. The number of days may be used in two separate periods during the "period of restoration".

b. Ordinary payroll expenses mean payroll expenses for all your employees except:

- (1) Officers;
- (2) Executives;
- (3) Department managers;
- (4) Employees under contract; and
- (5) Additional Exemptions, shown by endorsement as:
 - (a) Job Classifications; or
 - (b) Employees.

c. Ordinary payroll expenses include:

- (1) Payroll;
- (2) Employee benefits, if directly related to payroll;
- (3) FICA payments you pay;
- (4) Union dues you pay; and
- (5) Worker's compensation premiums.

G. DEFINITIONS

1. **"Dependent Property"** means property operated by others you directly depend on to:

a. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:

- (1) Water supply services;
- (2) Power supply services; or
- (3) Communication services, including services relating to internet access or access to any electronic, cellular or satellite network.

b. Accept your products or services (Recipient Locations);

c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

d. Attract customers to your business (Leader Locations).

2. **"Finished Stock"** means "stock" you have manufactured.

"Finished Stock" also includes whiskey and alcoholic products being aged.

"Finished Stock" does not include "stock" you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

3. **"Operations"** means:

a. Your business activities occurring at the described premises even if such activities would not have produced income during the "period of restoration", such as research and development activities; and

b. The tenantability of the described premises, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

4. **"Period of Restoration"**

a. "Period of Restoration" means the period of time that:

- (1) (a) For Business Income coverage, begins once the number of hours of the applicable Business Income hour deductible, if any, expires following the time of direct physical loss or damage; and

(b) For Extra Expense coverage begins immediately after the time of direct physical loss or damage;

caused by or resulting from a Covered Cause of Loss at the described premises; and

(2) Ends on the earlier of:

(a) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(b) The date when business is resumed at a new permanent location.

b. "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down, of any property, except as provided in the Ordinance or Law-Increased Period of Restoration Additional Coverage; or

(2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "fungus", wet rot or dry rot, except as provided in the Fungus, Wet Rot or Dry Rot - Amended Period of Restoration Additional Coverage; or

(3) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" except as provided in the Pollutant Clean Up and Removal Coverage Extension.

c. "Period of restoration" does not include any increased period required to attain a pre-loss level of "green" building certification from a "Green Authority". But this does not apply to any increase in the "period of restoration" otherwise insured under the Green Buildings Alternatives – Increased Period of Restoration Additional Coverage.

The expiration date of this policy will not cut short the "period of restoration".

5. **"Rental Value"** means Business Income that consists of:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of such described premises which is occupied by you; and
- b. Continuing normal operating expenses incurred in connection with such premises, including:

(1) Payroll; and

(2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

6. **"Suspension"** means:

- a. The partial or complete cessation of your business activities; or
- b. That a part or all of the described premises is rendered untenable, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

ADDITIONAL INSURED – BUILDING OWNER

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

The building owner identified in this endorsement is a Named Insured, but only with respect to the coverage provided under this Coverage Part for direct physical loss or damage to the building(s) described in the Schedule below.

SCHEDULE

| Premises Location No. | Building No. | Building Description | Building Owner Name and Address |
|------------------------------|---------------------|--|--|
| 35 | 35 | 730 ELIZABETH STREET ELBURN, IL 60119 | SHODEEN CONSTRUCTION COMPANY LLC |
| 31 | 31 | LOAN#A9071401-7500075048 | STANCORP MORTGAGE INVESTORS LLC OR ITS ASSIGNS C/O DRAPER AND KRAMER INC 55 EAST MONROE ST SUITE 3900 CHICAGO IL 60603 |

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT
CONDOMINIUM COMMERCIAL UNIT – OWNERS**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

The following changes apply only with respect to the insurance provided under this Coverage Form for owned Commercial Condominium Units:

A. Under Section A. Coverage

1. Provision 1. a., Building(s), does not apply.
2. Provision 1. b., Your Business Personal Property, is extended to include fixtures, improvements and alterations that are:
 - a. Part of the designated building at the described premises; and
 - b. Owned by you; and
 - c. Not otherwise excluded under Section A.2., Property and Costs Not Covered.
3. The following is added to provision 2., Property and Costs Not Covered:

Covered Property does not include any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires the Association to insure it:

- a. Fixtures, improvements and alterations that are a part of the building; and
- b. Appliances such as those used for refrigerating, ventilating, heating, air conditioning, cooking, dishwashing, laundering, communication, security or housekeeping.

B. The following condition is added to the Loss Conditions in Section G.:

Condominium Association Insurance

The Condominium Association may have other insurance covering the same property as this insurance. This insurance is intended to be excess, and not contribute with that other insurance.

C. Condominium Commercial Unit-Owners Optional Coverages

Each of the following coverages apply only when indicated in the Schedule below, and then only to

the condominium units indicated in the Schedule for such coverages.

1. Loss Assessment Coverage

When a Limit of Insurance is shown in the Schedule below for Loss Assessment Coverage:

- a. We will pay for your share of an assessment charged to all unit-owners by the Condominium Association, when the assessment is made:
 - (1) During the policy period shown in the Declarations; and
 - (2) As a result of direct physical loss or damage to property in which each unit-owner has an undivided interest, if such loss or damage is caused by a Cause of Loss covered under this policy.

Paragraph a. of the Policy Period, Coverage Territory Additional Condition in Section H.9. of the Deluxe Property Coverage Form does not apply to this Loss Assessment Coverage.

- b. The most we will pay for each assessment is the Loss Assessment Limit of Insurance shown in the Schedule for the applicable unit. But we will not pay more than \$1,000 per scheduled unit for an assessment that results from a deductible in the insurance purchased by the Condominium Association.
- c. The Deductible applicable to Loss Assessment Coverage is the applicable deductible stated in the Declarations.

2. Miscellaneous Real Property Coverage

When a Limit of Insurance is shown in the Schedule below for Miscellaneous Real Property Coverage:

- a. The following is added to Covered Property:

Miscellaneous Real Property, meaning condominium property that is not included under Your Business Personal Property, provided that:

- (1) The condominium property pertains to your condominium unit only; or
- (2) You have a duty to insure the condominium property according to the Condominium Association agreement.

b. The Condominium Association may have other insurance covering the same prop-

erty as this insurance. If it does, we will only pay the excess over what should have been received from that other property insurance. We will pay the excess whether the other insurance can be collected or not.

c. The Deductible applicable to Miscellaneous Real Property Coverage is the applicable deductible stated in the Declarations.

SCHEDULE

| Prem. Loc. No. | Bldg. No. | Unit No. | Loss Assessment Coverage Limit of Insurance | Miscellaneous Real Property Limit of Insurance |
|-----------------------|------------------|-----------------|--|---|
| 8 | 8 | 401 | \$16,566 | \$225,000 |
| 8 | 8 | 402 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 403 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 404 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 405 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 406 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 407 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 408 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 409 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 410 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 411 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 412 | INCL IN ABOVE | INCL IN ABOVE |
| 8 | 8 | 413 | INCL IN ABOVE | INCL IN ABOVE |

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT****CONTINGENT BUILDING PROPERTY COVERAGE**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

- A.** As used in this endorsement, Insured Contingent Location means any premises:
1. For which you are the lessor or mortgageholder; and
 2. For which you have required, through the lease or mortgage agreement, the lessee or mortgagor to secure and maintain property insurance coverage on the building throughout the term of the lease or mortgage; and
 3. Which are described and identified as Insured Contingent Location(s) in the Schedule below.
- B.** If, at the time of loss or damage at an Insured Contingent Location, the building insurance required by the lease or mortgage agreement is not in effect, or the Limit of Insurance that applies to the required building insurance is inadequate to cover the loss or damage to the building, the insurance provided under this policy for direct physical loss or damage to Building(s) (as provided under Section **A.1.a.** Building(s) and not specifically excluded under Section **A.2.** Property and Costs Not Covered) is extended to apply to the uninsured direct physical loss or damage to Building(s) at an Insured Contingent Location provided:
1. Such loss would have been covered by the required insurance had the required insurance been in effect at adequate limits; and
 2. Such loss or damage is not otherwise excluded under this policy.
- C.** When the Causes of Loss – Broad Form Flood endorsement, Causes of Loss – Earthquake endorsement or Causes of Loss – Earthquake Sprinkler Leakage endorsement is attached to this Coverage Part, such causes of loss shall not be considered Covered Causes of Loss under this Extension.
- D.** The insurance provided under this Extension for Building(s) at Insured Contingent Locations applies on a scheduled limits basis. Any blanket Limit(s) of Insurance shown in the Declarations for Buildings does not apply to any Buildings at Insured Contingent Locations. The most we will pay for loss or damage in any one occurrence under this Extension is the lesser of:
1. The applicable Building Limit(s) of Insurance shown in the Schedule below for the Insured Contingent Locations sustaining covered loss or damage; or
 2. Any specific Limit of Insurance under this policy applying to the loss or damage.
- E.** We will not pay for any loss or damage under this Extension until the amount of loss or damage exceeds:
1. The applicable Deductible amount shown in the Declarations or elsewhere in this Coverage Part when the insurance required by the lease or mortgage agreement is not in effect; or
 2. The lesser of the following amounts when the insurance required by the lease or mortgage agreement is in effect, but the Limit of Insurance that applies to the required insurance is inadequate to cover the loss or damage:
 - a. The sum of the following amounts, subject to a minimum total amount equal to the applicable Deductible amount shown in the Declarations or elsewhere in this Coverage Part:
 - (1) The applicable Limit(s) of Insurance under the required insurance; and
 - (2) Any applicable deductible amounts under the required insurance;
 or
 - b. The sum of the following amounts:
 - (1) The applicable Limit(s) of Insurance under the required insurance; and
 - (2) The applicable Deductible amount shown in the Declarations or elsewhere in this Coverage Part.

We will then pay the amount of loss or damage in excess of the amount described in 1. or 2. above, up to the applicable Limit of Insurance.

F. You must notify us as soon as possible after you become aware of any lapse in the insurance re-

quired by the lease or mortgage agreement for an Insured Contingent Location. We will charge you additional premium for the period of time the required insurance is not in effect, beginning on the date the required insurance lapses.

SCHEDULE

Insured Contingent Location:

LOCATION 22

Limit of Insurance:

\$3,015,216

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – EARTHQUAKE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

A. APPLICATION OF THIS ENDORSEMENT

1. This endorsement applies at the premises location(s) of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.

This endorsement also applies to:

- a. The Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form;
 - b. The Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;
 - c. The Civil Authority Additional Coverage in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, but only with respect to such loss of Business Income and/or Extra Expense incurred at the premises of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations; and
 - d. Utility Services – Direct Damage or Utility Services – Time Element coverage provided under this Coverage Part, if any, but only with respect to such direct damage loss or loss of Business Income and/or Extra Expense that is incurred at the premises of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.
2. Except as provided in **A.1.a.** through **A.1.d.** above, this endorsement does not apply to loss or damage caused by or resulting from Earthquake or Volcanic Eruption that occurs away from the premises location(s) of the building number(s) for which an Earthquake Limit of Insurance is shown in the Declarations.

3. This endorsement does not apply to, or modify, any limits or deductibles that apply to:

- a. The insurance otherwise provided under this Coverage Part for loss or damage by fire or explosion that results from earth movement other than volcanic eruption, explosion or effusion, or for loss or damage by fire, building glass breakage or volcanic action that results from a volcanic eruption, explosion or effusion; or
- b. Any other insurance provided under this Coverage Part for loss or damage to which the Earth Movement exclusion does not apply.

B. COVERED CAUSES OF LOSS

The following are added to the Covered Causes of Loss and the "specified causes of loss":

1. Earthquake, meaning a shaking or trembling of the earth's crust, caused by underground volcanic or tectonic forces or by breaking or shifting of rock beneath the surface of the ground from natural causes.
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All earthquake shocks or volcanic eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

C. EXCLUSIONS, LIMITATIONS AND RELATED PROVISIONS

1. The Earth Movement exclusion contained in Section **C.1.b.** of the Deluxe Property Coverage Form does not apply to the coverage provided under this endorsement. The remaining Exclusions and the Limitations that apply to this Coverage Part apply to the coverage provided under this endorsement. For example, loss caused directly or indirectly by a cause of loss excluded under provisions **(1)(a)** through **(1)(e)** of the Water exclusion

contained in Section C.1.I. of the Deluxe Property Coverage Form, such as flood or tidal wave, is excluded even if the flood or tidal wave is attributable to an Earthquake or Volcanic Eruption.

2. The following additional exclusions apply to the coverage provided under this endorsement:
 - a. We will not pay for loss or damage caused by or resulting from any earthquake or volcanic eruption that begins before the inception of this insurance.
 - b. We will not pay for the cost of restoring or stabilizing land or for loss resulting from the time required to restore or stabilize land.
3. The following additional Limitation applies to the coverage provided by this endorsement:

We will not pay for loss of or damage to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Deductible applicable to this endorsement.

This limitation does not apply:

- a. If less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco); or
- b. At any premises location(s) of the building number(s) to which the Cause of Loss – Earthquake Masonry Veneer Coverage endorsement applies, as indicated in the Schedule of that endorsement when it is attached to this policy.

D. UNDERGROUND WIRES, PIPES, FLUES AND DRAINS EXTENSION

Under the Deluxe Property Coverage Form, when Building coverage applies at premises locations to which this endorsement applies, the insurance provided by this endorsement is extended to also apply to direct physical loss or damage by Earthquake or Volcanic Eruption to underground wires, pipes, flues and drains at such premises locations. The exclusion of underground wires, pipes, flues and drains under Section A.2., Property and Costs Not Covered, of the Deluxe Property Coverage Form does not apply to this Extension.

This Extension does not increase the Earthquake Limit of Insurance that applies at such premises locations.

E. LIMITS OF INSURANCE

1. The most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) is the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake.

Subject to the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake:

- a. Any individual Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake is the most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) to which such individual Annual Aggregate Limit of Insurance shown in the Declarations for Earthquake applies.
- b. If more than one Annual Aggregate Limit of Insurance applies to loss or damage under this endorsement in any one occurrence, each limit will be applied separately, but the most we will pay under this endorsement for all loss or damage in that occurrence is the single highest involved Annual Aggregate Limit of Insurance applicable to that occurrence.
- c. The most we will pay under this endorsement for the total of:
 - (1) All loss or damage under the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form; and
 - (2) All loss under the Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;caused by or resulting from all earthquakes and volcanic eruptions in a 12 month period of this policy (beginning with the effective date of this policy) is \$100,000.

The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement is included in and does not increase the Limits of Insurance provided under

this Coverage Part. For example, subject to the applicable Earthquake Annual Aggregate Limit(s) of Insurance, our payment for loss under any Utility Services – Direct Damage or Utility Services –Time Element coverage that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies will not exceed the Limit of Insurance that applies to that Utility Services – Direct Damage or Utility Services –Time Element coverage.

2. The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement applies regardless of the items or types of property, number or types of coverages (including business income and extra expense coverages) or number of premises locations involved. Amounts payable under this endorsement for any item or type of property, or under any coverage, Additional Coverage or Coverage Extension, are subject to the Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement, and will not:
 - a. Exceed the applicable property and coverage Limits of Insurance provided under this Coverage Part; nor
 - b. Increase the applicable Annual Aggregate Limit(s) of Insurance under this endorsement.

This includes payments under any Debris Removal or Ordinance or Law coverage for loss that is attributable to earthquake or volcanic eruption at premises locations to which this endorsement applies, and covered as a result of the insurance provided under this endorsement.

F. DEDUCTIBLES

The following Deductible provisions apply to the insurance provided by this endorsement. The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence and apply in addition to any other Deductibles in this Coverage Part that apply to loss or damage in the same occurrence.

1. Percent Deductible

If a percentage (%) is shown in the Declarations as applicable, the following applies:

- a. This Deductible is calculated separately for, and applies separately to each of the following items of insurance:
 - (1) Each building, if two or more buildings sustain loss or damage;

- (2) The building and to personal property in that building, if both sustain loss or damage;
- (3) Personal property at each building, if personal property at two or more buildings sustains loss or damage;
- (4) Personal property in the open; and
- (5) Any other property insured under this Coverage Part.

- b. In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 5% or 10% (as shown in the Declarations) of:

- (1) The Limit of Insurance applicable to each item of insurance that has sustained loss or damage when specific insurance applies to that item of insurance, meaning a separate Limit of Insurance applies only to that item of insurance (for example, each building or personal property in a building); or
- (2) The value of each item of insurance that has sustained loss or damage when blanket insurance applies to that item of insurance, meaning a single Limit of Insurance applies to two or more items of insurance (for example, a building and personal property in that building or two buildings). The value to be used is the value shown in the most recent Statement of Values on file with us. If there is no value on file with us for the item of insurance property, we will use the value(s) of the property at the time of loss.

For newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies, we will deduct an amount equal to a percentage of the value of each item of insurance at the time of loss. The applicable percentage used will be the highest percentage that applies at the premises location of any building number for which a percentage Deductible is shown in the Declarations.

- c. When the percentage Deductible shown in the Declarations is subject to:
 - (1) A minimum dollar amount in any one occurrence; or

- (2) A minimum dollar amount in any one occurrence at each premises location;

the percentage Deductible will be calculated as described in 1.a. and 1.b. above, but the minimum amount we will deduct in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), is the minimum dollar amount shown in the Declarations.

- d. We will not pay for loss or damage in any one occurrence under this endorsement until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

2. Dollar Deductible

When:

- a. A dollar amount in any one occurrence; or
b. A dollar amount in any one occurrence at each premises location;

is shown as the applicable Deductible in the Declarations, we will not pay for loss or damage in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

When no percentage Deductible applies to the insurance provided under this endorsement, the Deductible applicable to newly acquired or constructed property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies is the highest dollar Deductible shown in the Declarations for the premises location of any building number to which this endorsement applies.

3. Hour Deductible

When an hour Deductible is stated in the Declarations, the following is applicable to your Business Income Coverage to which this endorsement applies:

We will not pay for loss of Business Income in any one occurrence that you incur during the period of time that:

- a. Begins at the time of direct physical loss or damage by Earthquake or Volcanic Eruption that triggers the Business Income coverage; and
b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour Deductible.

The Deductible applicable to Business Income coverage at locations to which the Newly Acquired Locations Coverage Extension in the Business Income (and Extra Expense) Coverage Form or Business Income (Without Extra Expense) Coverage Form applies, is the highest hour Deductible shown in the Declarations for any premises location to which this endorsement applies.

4. No Deductible applies to Extra Expense.

5. When a Deductible is shown in the Declarations for Utility Service – Direct Damage coverage or Utility Services – Time Element coverage, that Deductible will apply to the insurance provided under the Utility Service – Direct Damage coverage or Utility Services – Time Element coverage for loss that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies. Otherwise, the above Deductible provisions apply to loss under the Utility Service – Direct Damage coverage or Utility Services – Time Element coverage that is attributable to an Earthquake or Volcanic Eruption to which this endorsement applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – BROAD FORM FLOOD

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

A. APPLICATION OF THIS ENDORSEMENT

1. When a Broad Form Flood Limit of Insurance is shown in the Declarations for a building number, this endorsement applies at the premises location(s) of such building number(s) for which a Broad Form Flood Limit of Insurance is shown.
2. When a Broad Form Flood Limit of Insurance is shown in the Declarations for property at the described premises within a Flood Zone or a non-participating or suspended community (as classified under the National Flood Insurance Program), this endorsement applies at the premises described in the Declarations for coverage under this Coverage Part with respect to covered loss resulting from "flood" to buildings, structures or personal property in the open within such Flood Zone(s) or community(ies) for which a Broad Form Flood Limit of Insurance is shown, or to personal property at the described premises in or on the buildings or structures within such Flood Zone(s) or community(ies).

If, at the time of loss, a building, a structure or personal property in the open is located within more than one Flood Zone or community, coverage under this endorsement for loss or damage to, or loss that is a consequence of loss or damage to that building, structure or personal property in the open will be subject to the insurance, Annual Aggregate Limit of Insurance and deductible, if any, that would apply under this policy if that building, structure or personal property in the open was wholly located within the most hazardous of the Flood Zones or communities, as stated below, in which it is located. The most hazardous Flood Zone or community that is determined to apply to a building or structure will also apply with respect to the coverage under this endorsement for loss or damage to, or loss or damage that is a consequence of loss

or damage to any personal property in or on such building or structure.

The following listing of Flood Zones and communities, as classified under the National Flood Insurance Program, is in order of the most hazardous to least hazardous:

- a. Flood Zone V and Flood Zones prefixed V;
 - b. Flood Zone A and Flood Zones prefixed A;
 - c. Flood Zone D;
 - d. Non-Participating or Suspended communities;
 - e. Flood Zone B, Flood Zone X (shaded) and Flood Zone X-500;
 - f. Flood Zone C and Flood Zone X (unshaded).
3. This endorsement also applies to:
 - a. The Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form, regardless of the Flood Zone or community in which the property is located;
 - b. The Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, regardless of the Flood Zone or community in which the newly acquired locations are located;
 - c. The Civil Authority Additional Coverage in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms, regardless of the Flood Zone or community in which the "flood" loss that triggers the coverage occurs, but only with respect to such loss of Business Income and/or Extra Expense that you in-

cur at the premises described in **A.1.** or **A.2.** above; and

- d. Utility Services – Direct Damage or Utility Services – Time Element coverage provided under this Coverage Part, if any, regardless of the Flood Zone or community in which the "flood" loss to the utility services property that triggers the coverage occurs, but only with respect to such direct damage loss or loss of Business Income and/or Extra Expense that is incurred at the premises described in **A.1.** or **A.2.** above.
- 4. Except as provided in **A.3.a.** through **A.3.d.** above, this endorsement does not apply to loss or damage caused by or resulting from "flood" that occurs away from the premises described in **A.1.** and **A.2.** above.
 - 5. This endorsement does not apply to, or modify, any limits or deductibles that apply to:
 - a. The insurance otherwise provided under this Coverage Part for loss or damage by:
 - (1) Fire, explosion or sprinkler leakage that results from "flood"; or
 - (2) Water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by Water that is excluded in provisions (a), (b), (d) or (e) of the Water exclusion in Section **C.1.i.** of the Deluxe Property Coverage Form;
 - or
 - b. Any other insurance provided under this Coverage Part for loss or damage to which the Water exclusion in Section **C.1.i.** of the Deluxe Property Coverage Form does not apply.

B. COVERED CAUSES OF LOSS

"Flood" is added to the Covered Causes of Loss and the "specified causes of loss".

All "flood" loss that occurs:

- 1. During a continuous or protracted event, such as a period of continued rising or overflow of any river(s), stream(s) or any body(ies) of water and the subsidence of same within the banks of such river(s), stream(s) or body(ies) of water; or
- 2. Due to any tidal wave or series of tidal waves that occur within any 168 hour period;

will constitute a single "flood" occurrence. If "flood" loss commences prior to the expiration

date of this policy and the "flood" occurrence extends beyond the expiration date of this policy, the expiration date of this policy will not reduce the "flood" occurrence period.

C. FLOOD DEFINED

The following is added to the Section **J.**, Definitions, in the Deluxe Property Coverage Form:

"Flood" means the following, all whether naturally occurring or due to man-made or other artificial causes, and includes waterborne material carried or otherwise moved by any of the water referred to in paragraphs 1., 3. and 4. below and material carried or otherwise moved by mudslide or mudflow:

- 1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
- 2. Mudslide or mudflow;
- 3. Water or sewage that backs up, overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment (other than the backup or overflow of water or sewage from drains within a building to which the exception in provision (c) of the Water exclusion in Section **C.1.i.** of the Deluxe Property Coverage Form applies); and
- 4. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings.

D. EXCLUSIONS, LIMITATIONS AND RELATED PROVISIONS

- 1. Under the Exclusions contained in Section **C.1.** of the Deluxe Property Coverage Form:
 - a. Exclusion **b.**, Earth Movement, does not apply to the insurance otherwise provided under this endorsement for loss or damage caused by or resulting from:
 - (1) Mudslide or mudflow that is caused by or precipitated by the accumulation or runoff of water on or below the surface of the ground; or
 - (2) "Flood" that is attributable to an Earth Movement, such as tsunami, but this exception does not apply to loss or damage caused by or resulting from

any excluded Earth Movement that results from such "Flood".

- b. Exclusion I., Water, does not apply to the coverage provided under this endorsement.

The remaining Exclusions and the Limitations that apply to this Coverage Part apply to the coverage provided under this endorsement.

- 2. The following additional exclusions apply to the coverage provided under this endorsement:
 - a. We will not pay for loss or damage caused by or resulting from any "flood" occurrence that begins before the inception of this insurance.
 - b. We will not pay for the cost of restoring, recovering or de-watering land or for loss resulting from the time required to restore, recover or de-water land.
- 3. The following LIMITATION is added as respects coverage provided by this endorsement:

EXCESS OF LOSS LIMITATION

- a. Unless otherwise indicated in the Declarations or by endorsement, this Excess of Loss Limitation applies to the coverage provided for direct physical loss of or damage to:

- (1) Buildings, structures and personal property in the open which are:

- (a) Covered Property at the premises described in Section A.1. and A.2. of this endorsement, or newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies; and

- (b) Located, in whole or in part, in Flood Zone A, Flood Zones prefixed A, Flood Zone V or Flood Zones prefixed V, as classified under the National Flood Insurance Program at the time of loss;

and

- (2) Personal property which is Covered Property located in or on a building or structure described in (1) above, and personal property to which the Newly

Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies.

- b. If the property is eligible to be written under a National Flood Insurance Program (NFIP) policy, we will pay only for the amount of loss in excess of the maximum limit that can be insured under that NFIP policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy.
- c. The Deductible provisions applicable to the coverage provided under this endorsement apply in addition to any applicable Excess of Loss Limitation.

E. UNDERGROUND WIRES, PIPES, FLUES AND DRAINS EXTENSION

Under the Deluxe Property Coverage Form, when Building coverage applies at premises locations to which this endorsement applies, the insurance provided by this endorsement is extended to also apply to direct physical loss or damage by "flood" to underground wires, pipes, flues and drains at such premises locations. The exclusion of underground wires, pipes, flues and drains under Section A.2., Property and Costs Not Covered, of the Deluxe Property Coverage Form does not apply to this Extension.

This Extension does not increase the Broad Form Flood Limit of Insurance that applies at such premises locations.

F. LIMITS OF INSURANCE

- 1. The most we will pay under this endorsement for the total of all loss or damage caused by or resulting from "flood" in a 12 month period of this policy (beginning with the effective date of this policy) is the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood.

Subject to the single highest Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood:

- a. Any individual Annual Aggregate Limit of Insurance shown in the Declarations for Broad Form Flood is the most we will pay under this endorsement for the total of all loss or damage caused by or resulting from all "flood" occurrences in a 12 month period of this policy (beginning with the effective date of this policy) to which such individual Annual Aggregate Limit of In-

insurance shown in the Declarations for Broad Form Flood applies.

- b. If more than one Annual Aggregate Limit of Insurance applies to loss or damage under this endorsement in any one occurrence, each limit will be applied separately, but the most we will pay under this endorsement for all loss or damage in that occurrence is the single highest involved Annual Aggregate Limit of Insurance applicable to that occurrence.
- c. The most we will pay under this endorsement for the total of:
 - (1) All loss or damage under the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form; and
 - (2) All loss under the Newly Acquired Locations Coverage Extension in the Business Income (And Extra Expense), Business Income (Without Extra Expense) and Extra Expense Coverage Forms;

caused by or resulting from all "flood" occurrences in a 12 month period of this policy (beginning with the effective date of this policy) is \$100,000.

The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement is included in and does not increase the Limits of Insurance provided under this Coverage Part. For example, subject to the applicable Broad Form Flood Annual Aggregate Limit(s) of Insurance, our payment for loss under any Utility Services – Direct Damage or Utility Services –Time Element coverage that is attributable to "flood" to which this endorsement applies will not exceed the Limit of Insurance that applies to that Utility Services – Direct Damage or Utility Services – Time Element coverage.

- 2. The Annual Aggregate Limit(s) of Insurance applicable to loss or damage under this endorsement applies regardless of the items or types of property, number or types of coverages (including business income and extra expense coverages) or number of premises locations involved. Amounts payable under this endorsement for any item or type of property, or under any coverage, Additional Coverage or Coverage Extension, are subject to the Annual Aggregate Limit(s) of Insurance

applicable to loss or damage under this endorsement, and will not:

- a. Exceed the applicable property and coverage Limits of Insurance provided under this Coverage Part; nor
- b. Increase the applicable Annual Aggregate Limit(s) of Insurance under this endorsement.

This includes payments under any Debris Removal or Ordinance or Law coverage for loss that is attributable to "flood" at premises locations to which this endorsement applies, and covered as a result of the insurance provided under this endorsement.

G. DEDUCTIBLES

The following Deductible provisions apply to the insurance provided by this endorsement. The Deductible(s) applicable to loss or damage under this endorsement apply separately to each occurrence and apply in addition to any other Deductibles in this Coverage Part that apply to loss or damage in the same occurrence.

1. Dollar Deductible

When:

- a. A dollar amount in any one occurrence; or
- b. A dollar amount in any one occurrence at each premises location,

is shown as the applicable deductible in the Declarations, we will not pay for loss or damage in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

The Deductible applicable to newly acquired or constructed property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies is the highest dollar deductible shown in the Declarations for any premises location to which this endorsement applies.

2. Hour Deductible

When an hour Deductible is stated in the Declarations, the following is applicable to your Business Income Coverage to which this endorsement applies:

We will not pay for loss of Business Income in any one occurrence that you incur during the period of time that:

- a. Begins at the time of direct physical loss or damage by "flood" that triggers the Business Income coverage; and
- b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour deductible.

The Deductible applicable to Business Income coverage at locations to which the Newly Acquired Locations Coverage Extension in the Business Income (and Extra Expense) Coverage Form or Business Income (Without Extra Expense) Coverage Form applies, is the highest hour Deductible shown in

the Declarations for any premises location to which this endorsement applies.

3. No Deductible applies to Extra Expense.
4. When a Deductible is shown in the Declarations for Utility Service – Direct Damage coverage or Utility Services – Time Element coverage, that Deductible will apply to the insurance provided under the Utility Service – Direct Damage coverage or Utility Services – Time Element coverage for loss that is attributable to "flood" to which this endorsement applies. Otherwise, the above Deductible provisions apply to loss under the Utility Service – Direct Damage coverage or Utility Services – Time Element coverage that is attributable to "flood" to which this endorsement applies.

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – EQUIPMENT BREAKDOWN

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

A. ADDITIONAL COVERED CAUSE OF LOSS – EQUIPMENT BREAKDOWN

Covered Causes of Loss and "specified causes of loss" are extended to include Equipment Breakdown, meaning a Breakdown to Covered Equipment as defined and limited in this endorsement.

1. Breakdown

a. Breakdown means:

- (1) Failure of pressure or vacuum equipment;
- (2) Mechanical failure, including rupture or bursting caused by centrifugal force; or
- (3) Electrical failure, including arcing;

that causes physical damage to Covered Equipment and necessitates its repair or replacement.

b. Breakdown does not mean or include:

- (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
- (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (3) Damage to any vacuum tube, gas tube, or brush;
- (4) Damage to any structure or foundation supporting the Covered Equipment or any of its parts;
- (5) The functioning of any safety or protective device; or
- (6) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.

c. If an initial Equipment Breakdown causes other Equipment Breakdowns, all will be considered one Equipment Breakdown. All Equipment Breakdowns that manifest themselves at the same time and are the

direct result of the same cause will also be considered one Equipment Breakdown.

2. Covered Equipment

a. Covered Equipment means equipment of a type listed in provision 2.b. below that is:

(1) At any of the following locations:

(a) At or within 1,000 feet of the described premises; or

(b) At any of the following locations, but only to the extent that coverage for direct physical loss or damage to Covered Property at such locations or for Business Income and/or Extra Expense resulting from direct physical loss or damage to property at such locations is otherwise specifically insured and limited under this Coverage Part:

(i) Newly acquired or constructed property locations, or within 1,000 feet of such locations;

(ii) Undescribed premises; or

(iii) "Dependent property" locations;

and

(2) (a) Owned or leased by you or operated under your control; or

(b) Owned or leased by, or operated under the control of others who own, lease or operate the undescribed premises or "dependent property" locations where the insurance provided under this Coverage Part applies;

and

- (3) Not otherwise excluded under provision 2.c. below.
- b. Covered Equipment includes the following types of equipment:
 - (1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
 - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; and
 - (3) Fiber optic cable.
- c. Covered Equipment does not mean or include any:
 - (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
 - (2) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
 - (3) Insulating or refractory material;
 - (4) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
 - (5) Catalyst;
 - (6) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
 - (7) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube or well casing;
 - (8) Vehicle, aircraft, self-propelled equipment or floating vessel, including any equipment mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel;
 - (9) Dragline, power shovel, excavation or construction equipment including any equipment mounted on or used solely with any dragline, power shovel, excavation or construction equipment;

- (10) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- (11) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
- (12) Computer equipment or electronic data processing equipment unless used to control or operate production-type machinery or other equipment that is Covered Equipment;
- (13) Equipment or any part of such equipment manufactured by you for sale; or
- (14) Equipment while in the due course of transit.

B. EQUIPMENT BREAKDOWN COVERAGE EXTENSIONS

1. Spoilage

- a. Under the Deluxe Property Coverage Form, the insurance that applies to Your Business Personal Property and Personal Property of Others is extended to apply to direct physical loss or damage to such Covered Property that is:

- (1) Maintained under controlled conditions for its preservation; and
- (2) Susceptible to loss or damage if the controlled conditions change;

due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration that is caused solely by a Breakdown to Covered Equipment.

Insurance under this Coverage Extension includes the reasonable expense you incur to reduce or avert the spoilage loss or damage, but only to the extent the amount of loss otherwise payable under this Coverage Extension is reduced.

- b. The most we will pay for loss or damage under this Coverage Extension arising out of any one Equipment Breakdown is the Spoilage Limit of Insurance shown in the Schedule of this endorsement. This limit is part of and not in addition to the Limit of

Insurance that applies to the lost or damaged Covered Property.

- c. We will not pay for any loss or damage under this Coverage Extension that results from your failure to use due diligence and dispatch and all reasonable means to protect the property from spoilage damage following a Breakdown to Covered Equipment.

2. Utility Services Property

- a. Subject to provision 2.b. below, Covered Equipment is extended to include equipment, wherever located within the Coverage Territory, that is:

- (1) Owned, operated or controlled by a local public or private utility or distributor that directly generates, transmits, distributes or provides utility services to the described premises; and
- (2) Used to supply water, communication or power services to the described premises.

- b. This Coverage Extension applies:

- (1) Only with respect to; and
- (2) Subject to the Limit(s) of Insurance that apply to;

the insurance, if any, otherwise provided under this Coverage Part for loss or damage caused by an interruption of power or other utility service supplied to the described premises caused by or resulting from a Covered Cause of Loss to the utility services equipment described in 2.a. above.

C. EQUIPMENT BREAKDOWN EXCLUSIONS

All of the Exclusions that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- 1. Under the Exclusions contained in Section C. of the Deluxe Property Coverage Form, the following Exclusions do not apply:
 - a. Exclusion C.2.d. Electrical Damage or Disturbance;
 - b. Exclusion C.2.i.(6) mechanical breakdown under the Other Type of Losses Exclusion; and
 - c. Exclusion C.2.e. Explosion.

- 2. The following additional Exclusions apply to the insurance provided by this endorsement:

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- a. Lack or excess of power, light, heat, steam or refrigeration. But this Exclusion does not apply to:

- (1) Business Income coverage or Extra Expense coverage; or
- (2) The Spoilage Coverage Extension or Utility Services Property Coverage Extension;

- b. Hydrostatic, pneumatic or gas pressure testing of any boiler, fired vessel or electrical steam generator; or

- c. Insulation breakdown testing of any type of electrical or electronic equipment.

D. EQUIPMENT BREAKDOWN LIMITATIONS

All of the Limitations that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- 1. Under the Limitations contained in Section D. of the Deluxe Property Coverage Form, Limitations 1.a. and 1.b. do not apply.
- 2. The following additional Limitations apply to the insurance provided by this endorsement. These Limitations are included in, and do not increase the applicable Limit(s) of Insurance.

a. Ammonia Contamination Limitation

The most we will pay for loss or damage to property caused by ammonia contamination that directly results from a Breakdown to Covered Equipment is the Ammonia Contamination Limit of Insurance shown in the Schedule of this endorsement.

This limitation does not apply to Business Income coverage or to Extra Expense coverage.

b. Hazardous Substance Limitation

If as a direct result of a Breakdown to Covered Equipment, property is damaged, contaminated or polluted by a substance, other than ammonia, that is declared to be hazardous to health by a governmental agency, the Hazardous Substance Limit of Insurance shown in

the Schedule of this endorsement is the most we will pay for:

- (1) Any additional expenses you incur to clean up, repair, replace or dispose of any such property that is Covered Property under this Coverage Part; and
- (2) Any increase in loss of Business Income or Extra Expense due to the additional time required to clean up, repair, replace or dispose of the property, provided Business Income or Extra Expense loss resulting from damage to such property is otherwise insured against under this Coverage Part. Subject to the Hazardous Substance Limit of Insurance, the term "period of restoration", as used in the Business Income and/or Extra Expense insurance provided under this Coverage Part is extended to include this additional period of time.

As used in this Limitation, additional expenses and increase in loss mean expenses and loss incurred beyond the expenses and loss for which we would have been liable had no substance declared to be hazardous to health by a governmental agency been involved.

E. EQUIPMENT BREAKDOWN LIMITS OF INSURANCE

1. The insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is included in, and does not increase the Covered Property, Business Income, Extra Expense and other coverage Limits of Insurance that otherwise apply under this Coverage Part.
2. Payments under the Equipment Breakdown Coverage Extensions will not increase the applicable Limit(s) of Insurance.

F. EQUIPMENT BREAKDOWN DEDUCTIBLE

1. Unless otherwise indicated in the Schedule of this endorsement, the insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is subject to the deductibles that otherwise apply under this Coverage Part.
2. When one or more separate deductibles are indicated in the Schedule of this endorsement, each such deductible shall be applied separately to the applicable coverage for which the deductible is indicated, as follows:

a. Dollar Deductible

If a dollar deductible is shown in the Schedule, we will not pay for loss or damage until the amount of loss or damage to which the deductible applies exceeds the applicable dollar deductible. We will then pay the amount of loss or damage in excess of the dollar deductible, up to the applicable Limit of Insurance.

b. Time Period Deductible

If a time period deductible is shown in the Schedule, we will not pay for any loss to which the deductible applies that occurs during the specified time period immediately following a Breakdown to Covered Equipment.

c. Average Daily Value Deductible

If an average daily value deductible is shown in the Schedule, this deductible will be calculated as follows:

- (1) For all of the described premises where you incur Business Income or Extra Expense loss due to a Breakdown to Covered Equipment, determine the total amount of Business Income that would have been earned or incurred by you during the "period of restoration" had no Breakdown to Covered Equipment occurred.
- (2) Divide the amount determined in paragraph (1) by the number of days the business would have been open during the "period of restoration". The result is the average daily value.
- (3) Multiply the average daily value in paragraph (2) by the Multiple of Average Daily Value shown in the Schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

d. Percentage of Loss Deductible

If a deductible is expressed as a percentage of loss in the Schedule, we will not be liable for the indicated percentage of the gross amount of loss or damage insured under the applicable coverage.

G. EQUIPMENT BREAKDOWN ADDITIONAL CONDITION

The following Additional Condition applies to the insurance provided under this endorsement:

Suspension

If any Covered Equipment is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance provided by this endorsement for loss or damage caused by or resulting from a Breakdown to that Covered Equipment. This can be done by delivering or mailing a notice of suspension to:

1. Your last known address; or
2. The address where the Covered Equipment is located.

Once suspended in this way, such insurance can only be reinstated by a written endorsement issued by us. If we suspend your insurance, you will get a pro rata refund of premium for that Covered Equipment. But the suspension will be effective even if we have not yet made or offered a refund.

EQUIPMENT BREAKDOWN SCHEDULE

Limits of Insurance:

- Spoilage: \$25,000 unless a higher amount is shown: \$
- Ammonia Contamination: \$25,000 unless a higher amount is shown: \$
- Hazardous Substance: \$25,000 unless a higher amount is shown: \$

Deductible Exceptions: Deluxe Property Coverage Part Deductibles apply to loss or damage under this endorsement, except as follows:

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

- A.** The Ordinance or Law Additional Coverage in Section **A.3.h.** of the Deluxe Property Coverage Form is replaced by the terms and conditions of this endorsement for the premises location(s) and building(s) shown in the Schedule below.
- B.** Each Coverage – Coverage **A**, Coverage **B** and Coverage **C** – applies only if that Coverage(s) is chosen by entry in the Schedule below and then only with respect to the building identified for that Coverage in the Schedule.
- C.** In the event of covered direct physical loss or damage to a building that is Covered Property, we will provide each of the following coverages that apply to that lost or damaged building, as indicated in the Schedule below:

1. Coverage A – Coverage For Loss to the Undamaged Portion of the Building

If Coverage **A** is indicated as applicable by an "X" in the Schedule below for a covered building, we will pay under Coverage **A** for the loss in value of the undamaged portion of that building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage **A** is included in the Limit of Insurance (subject to any applicable Blanket Limitation Clause or coinsurance provision) shown in the Declarations as applicable to that covered building. Coverage **A** does not increase the applicable Limit of Insurance.

2. Coverage B – Demolition Cost Coverage

If a Coverage **B** Limit of Insurance is indicated in the Schedule below for a covered building, we will pay under Coverage **B** the cost to demolish and clear the site of undamaged parts of that same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

3. Coverage C – Increased Cost of Construction Coverage

- a.** If a Coverage **C** Limit of Insurance is indicated in the Schedule below for a covered building, we will pay under Coverage **C** the increased cost to:

- (1)** Repair or reconstruct damaged portions of that building; or
- (2)** Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage **C** applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law. This Coverage **C** does not apply if the building is not repaired, reconstructed or remodeled.

- b.** When a covered building is damaged or destroyed by a Covered Cause of Loss and Coverage **C** applies to that property in accordance with **3.a.** above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **3.a.**:

- (1)** The cost of excavations, grading, backfilling and filling;
- (2)** Pilings; and
- (3)** Underground wires, pipes, flues and drains.

The items listed in **b.(1)** through **b.(3)** above are deleted from Section **A.2.** Property and Costs Not Covered of the Deluxe Property Coverage Form, but only with respect to the coverage described in this provision, **3.b.**

D. The coverages described in **C.** above apply only if the provisions in Paragraphs **D.1.** and **D.2.** below are satisfied and are then subject to the qualifications set forth in Paragraph **D.3.** below:

1. The ordinance or law:
 - a. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - b. Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

2. The building either:
 - a. Sustains direct physical loss or damage that is covered under this Coverage Part and such damage results in enforcement of the ordinance or law; or
 - b. Sustains both direct physical loss or damage that is covered under this Coverage Part and direct physical loss or damage that is not covered under this Coverage Part and the building damage in its entirety results in enforcement of the ordinance or law.

If the building sustains direct physical loss or damage that is not covered under this Coverage Part, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical loss or damage.

3. In the situation described in **D.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverage **A, B** or **C** of this endorsement. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage. However, if covered direct physical loss or damage, alone, would have resulted in the enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage **A, B** or **C** of this endorsement.

E. We will not pay under this endorsement for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement,

reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot; or
3. Loss due to any ordinance or law that:
 - a. You were required by the ordinance or law to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.

F. Loss Payment

The following loss payment provisions **F.1.** through **F.4.** are subject to the apportionment procedures set forth in Section **D.3.** of this endorsement.

1. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If Replacement Cost valuation applies and the property is repaired or replaced, on the same or another location, we will not pay more than the lesser of:
 - (1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
 - (2) The Limit of Insurance shown in the Declarations as applicable to the covered building .
 - b. If Replacement Cost valuation applies and property is not repaired or replaced, or if Replacement Cost valuation does not apply, we will not pay more than the lesser of:
 - (1) The Actual Cash Value of the building at the time of loss; or

- (2) The Limit of Insurance shown in the Declarations as applicable to the covered building .
2. Unless paragraph **F.4.** applies, loss payment under Coverage **B** – Demolition Cost Coverage will be determined as follows:
- We will not pay more than the lesser of the following:
- a. The amount you actually spend to demolish and clear the site of the building; or
 - b. The applicable Limit of Insurance shown for Coverage **B** in the Schedule below.
3. Unless paragraph **F.4.** applies, loss payment under Coverage **C** – Increased Cost of Construction Coverage will be determined as follows:
- a. We will not pay under Coverage **C**:
 - (1) Until the property is actually repaired or replaced, at the same or another location ; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay under Coverage **C** is the lesser of:
 - (1) The increased cost of construction at the same location; or
 - (2) The applicable Limit of Insurance shown for Coverage **C** in the Schedule below.
 - c. If the ordinance or law requires relocation to another location, the most we will pay under Coverage **C** is the lesser of:
 - (1) The increased cost of construction at the new location; or
 - (2) The applicable Limit of Insurance shown for Coverage **C** in the Schedule below.
4. If a Combined Limit of Insurance is shown for Coverages **B** and **C** in the Schedule below, paragraphs **F.2.** and **F.3.** of this endorsement

do not apply with respect to the covered building that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Coverages **B** and **C** in the Schedule below. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the building.
 - b. With respect to the Increased Cost of construction:
 - (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another location; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (2) If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay for the increased cost of construction is the increased cost of construction at the same location.
 - (3) If the ordinance or law requires relocation to another location, the most we will pay for the increased cost of construction is the increased cost of construction at the new location.
- G.** The terms of this endorsement apply separately to each building to which this endorsement applies.
- H.** The Ordinance or Law Exclusion in Section **C.1.h.** of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this endorsement.

I. SCHEDULE

| Prem. No. | Bldg. No. | Coverage A Loss to the Undamaged Portion of the Building <input checked="" type="checkbox"/> | Coverage B Demolition Cost Limit of Insurance | Coverage C Increased Cost of Construction Limit of Insurance | Coverage B and C Combined Limit of Insurance |
|-----------|-----------|--|--|--|--|
| 1 | 1 | <input type="checkbox"/> | \$ 5,000,000 | \$ 5,000,000 | \$ |
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POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT****LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

Each of the following Clauses, **A**, **B**, **C** and **D**, is added to the Loss Payment Loss Condition as indicated in the Schedule below.

A. LOSS PAYABLE CLAUSE

For Covered Property in which both you and a Loss Payee shown in the Schedule below have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

B. LENDER'S LOSS PAYABLE CLAUSE

1. The Loss Payee shown in the Schedule below is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:
 - a. Warehouse receipts;
 - b. A contract for deed;
 - c. Bills of lading;
 - d. Financing statements; or
 - e. Mortgages, deeds of trust, or security agreements.

2. For Covered Property in which both you and a Loss Payee have an insurable interest:
 - a. We will pay for covered loss or damage to each Loss Payee in their order or precedence, as interest may appear.
 - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
 - c. If we deny your claim because of your acts or because you have failed to com-

ply with terms of this Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

- d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
 - (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
 - a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or

b. 30 days before the effective date of cancellation if we cancel for any other reason.

4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

C. CONTRACT OF SALE CLAUSE

1. The Loss Payee shown in the Schedule below is a person or organization you have entered into a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
 - a. Adjust losses with you; and
 - b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interest may appear.

3. The following is added to the Other Insurance Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

D. BUILDING OWNER LOSS PAYABLE CLAUSE

1. The Loss Payee shown in the Schedule below is the owner of the described building, in which you are a tenant.
2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

SCHEDULE

**Premises Location Number: Building Number: Applicable Clause
(Indicate A, B, C or D):**

Description of Property:

SEE DX T8 93 03 99

Loss Payee Name:

Loss Payee Address:

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL PROPERTY
ISSUE DATE: 01-11-20

LOSS PAYABLE PROVISIONS SCHEDULE

Loss Payee (Name & Address)

THE STATE BANK OF GENEVA

22 S 4TH ST

GENEVA

IL 60134

| Prem. No. | Bldg. No. | Description of Property | Provisions Applicable |
|----------------------|----------------------|---|----------------------------------|
| 35 | 35 | BUILDING AND YOUR BUSINESS PERSONAL PROPERTY | Lenders Loss Payable |

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL PROPERTY
ISSUE DATE: 01-11-20

LOSS PAYABLE PROVISIONS SCHEDULE

Loss Payee (Name & Address)

SYMETRA LIFE INSURANCE COMPANY,
ISAOA/ATIMA
C/O DRAPER AND KRAMER, INC.
55 EAST MONROE STREET, STE. 3900
CHICAGO IL 60603

| Prem. No. | Bldg. No. | Description of Property | Provisions Applicable |
|----------------------|----------------------|--------------------------------|----------------------------------|
| 29 | 29 | LOAN# 9000090008-SPLM2201 | Lenders Loss Payable |

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL PROPERTY
ISSUE DATE: 01-11-20

LOSS PAYABLE PROVISIONS SCHEDULE

Loss Payee (Name & Address)

STANCORP MORTGAGE INVESTORS LLC
OR ITS ASSIGNS
C/O DRAPER AND KRAMER INC
55 EAST MONROE ST SUITE 3900
CHICAGO IL 60603

| Prem. No. | Bldg. No. | Description of Property | Provisions Applicable |
|----------------------|----------------------|--------------------------------|----------------------------------|
| 31 | 31 | LOAN#A9071401-7500075048 | Lenders Loss Payable |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

UTILITY SERVICES – DIRECT DAMAGE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

A. Coverage

If indicated in the Declarations, we will pay for loss of or damage to Covered Property at the described premises caused by the interruption of utility service to the described premises. The interruption of utility service must result from direct physical loss or damage by a Covered Cause of Loss to any of the Utility Supply Services Properties defined in Section B. below, if such property is indicated in the Declarations and is:

1. Located away from the described premises; or
2. Located at the described premises and used to supply the utility service to the described premises from a source away from the described premises.

B. Utility Supply Services Properties

1. **Water Supply Services Property**, meaning the following types of property supplying water to the described premises:
 - a. Pumping stations; and
 - b. Water mains.
2. **Communication Supply Services Property**, meaning the following types of property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables; and
 - c. Microwave radio relays except satellites.

Coverage does not include loss caused by or resulting from loss or damage to Overhead Transmission Lines unless *Included* or a separate Limit of Insurance is shown in the Declarations for Overhead Transmission Lines.

3. **Power Supply Services Property**, meaning the following types of property supplying elec-

tricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

Coverage does not include loss caused by or resulting from loss or damage to Overhead Transmission Lines unless *Included* or a separate Limit of Insurance is shown in the Declarations for Overhead Transmission Lines.

C. Deductible

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductible stated in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.

D. Limits of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Utility Services – Direct Damage Limit of Insurance stated in the Declarations.

If a separate Limit of Insurance is shown in the Declarations for Overhead Transmission Lines, that limit is the most we will pay for loss or damage in any one occurrence resulting from loss or damage to Overhead Transmission Lines to which this coverage applies. This applies even if this coverage applies to both Communication Supply Services Property and Power Supply Services Property.

The Limit(s) of Insurance applicable to this endorsement are part of, and not in addition to, the applicable Covered Property Limit(s) of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

UTILITY SERVICES—TIME ELEMENT

This endorsement modifies insurance provided under the following:

DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
DELUXE BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
DELUXE EXTRA EXPENSE COVERAGE FORM

A. Coverage

If indicated in the Declarations, your coverage for Business Income and/or Extra Expense, as provided under the applicable Coverage Form, is extended to apply to the actual amount of such of Business Income and/or Extra Expense that you incur caused by the interruption of utility service to the described premises. The interruption of utility service must result from direct physical loss or damage by a Covered Cause of Loss to any of the Utility Services Properties defined in Section **B.** below, if such property is indicated in the Declarations and is:

1. Located away from the described premises; or
2. Located at the described premises and used to supply the utility service to the described premises from a source away from the described premises.

B. Utility Service Properties

1. **Water Supply Services Property**, meaning the following types of property supplying water to the described premises:
 - a. Pumping stations; and
 - b. Water mains.
2. **Communication Supply Services Property**, meaning the following types of property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables; and
 - c. Microwave radio relays except satellites.

Coverage does not include loss caused by or resulting from loss or damage to Overhead Transmission Lines unless *Included* or a separate Limit of Insurance is shown in the

Declarations for Overhead Transmission Lines.

3. **Power Supply Services Property**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

Coverage does not include loss caused by or resulting from loss or damage to Overhead Transmission Lines unless *Included* or a separate Limit of Insurance is shown in the Declarations for Overhead Transmission Lines.

C. Deductible

The hour deductible that applies to Utility Services – Time Element is indicated in the Declarations. We will only pay for loss of Business Income you sustain after the number of consecutive hours indicated in the Declarations following the direct physical loss or damage to the Utility Services Property to which this endorsement applies. This deductible does not apply to Extra Expense.

D. Limits of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Utility Services – Time Element Limit of Insurance stated in the Declarations. This limit is part of, and not in addition to, the Limit(s) of Insurance that apply to Business Income and/or Extra Expense at the described premises.

If a separate Limit of Insurance is shown in the Declarations for Overhead Transmission Lines, that is the most we will pay for loss or damage in any one occurrence resulting from loss or dam-

age to Overhead Transmission Lines to which this coverage applies. This applies, even if this coverage applies to both Communication Supply Services Property and Power Supply Services Prop-

erty. This limit is part of, and not in addition to, the Utility Services – Time Element Limit of Insurance stated in the Declarations.

DELUXE PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 7% of your total Deluxe Property Coverage Part premium if your primary location is in a Designated City (as listed below).
- 3% of your total Deluxe Property Coverage Part premium if your primary location is not in a Designated City (as listed below).

DELUXE PROPERTY

Designated Cities are:

| | | | |
|----------------------|------------------|------------------------|--------------------|
| Albuquerque, NM | El Paso, TX | Miami, FL | San Diego, CA |
| Atlanta, GA | Fort Worth, TX | Milwaukee, WI | San Antonio, TX |
| Austin, TX | Fresno, CA | Minneapolis, MN | San Francisco, CA |
| Baltimore, MD | Honolulu, HI | Nashville-Davidson, TN | San Jose, CA |
| Boston, MA | Houston, TX | New Orleans, LA | Seattle, WA |
| Charlotte, NC | Indianapolis, IN | New York, NY | St. Louis, MO |
| Chicago, IL | Jacksonville, FL | Oakland, CA | Tucson, AZ |
| Cleveland, OH | Kansas City, MO | Oklahoma City, OK | Tulsa, OK |
| Colorado Springs, CO | Las Vegas, NV | Omaha, NE | Virginia Beach, VA |
| Columbus, OH | Long Beach, CA | Philadelphia, PA | Washington, DC |
| Dallas, TX | Los Angeles, CA | Phoenix, AZ | Wichita, KS |
| Denver, CO | Memphis, TN | Portland, OR | |
| Detroit, MI | Mesa, AZ | Sacramento, CA | |

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

ELECTRONIC VANDALISM LIMITATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

When included in this policy, this endorsement also modifies insurance provided under the COMMERCIAL INLAND MARINE COVERAGE PART.

SCHEDULE

Electronic Vandalism Limit of Insurance,

aggregate in any 12-month period of this policy: **\$ 10,000** unless a higher limit is shown: \$

This endorsement limits the insurance provided under this policy for direct physical loss or damage caused by or resulting from "electronic vandalism" and for loss that is a consequence of such direct physical loss or damage.

A. LIMITATION – ELECTRONIC VANDALISM

The following LIMITATION is added:

The most we will pay for all loss or damage caused directly or indirectly by or resulting from "electronic vandalism" in any one policy year, commencing with the inception date of this endorsement, is the Electronic Vandalism Limit of Insurance shown in the Schedule of this endorsement. This limit:

1. Applies regardless of the number of locations, items or types of property or coverages or Coverage Forms involved; and
2. Is part of, and does not increase the Limits of Insurance provided under this policy.

But if "electronic vandalism" results in a "specified cause of loss", other than vandalism, this limitation will not apply to the resulting loss or damage caused by that "specified cause of loss".

B. ELECTRONIC VANDALISM MINIMUM DEDUCTIBLE

The following deductible provision is added and applies to all coverages, including Extra Expense:

The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

C. ELECTRONIC VANDALISM DEFINED

"Electronic Vandalism", as used in this endorsement means:

1. Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
2. Unauthorized computer code or programming that:
 - a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
 - b. Replicates itself, impairing the performance of computers or computer systems or networks; or
 - c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.

GENERAL LIABILITY





GENERAL LIABILITY



One Tower Square, Hartford, Connecticut 06183

**COMMERCIAL GENERAL LIABILITY
COVERAGE PART DECLARATIONS**

POLICY NO.: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

DECLARATIONS PERIOD: From 01-01-20 to 01-01-21 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial General Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

1. COVERAGE AND LIMITS OF INSURANCE:

| COMMERCIAL GENERAL LIABILITY COVERAGE FORM | LIMITS OF INSURANCE |
|---|----------------------------|
| General Aggregate Limit (Other than Products-Completed Operations) | \$ 2,000,000 |
| Products-Completed Operations Aggregate Limit | \$ 2,000,000 |
| Personal & Advertising Injury Limit | \$ 1,000,000 |
| Each Occurrence Limit | \$ 1,000,000 |
| Damage To Premises Rented To You Limit (any one premises) | \$ 300,000 |
| Medical Expense Limit (any one person) | \$ 5,000 |

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM |
|-------------------------|--------------|---|----------|------------------------|----------------|-----------------|
| MINIMUM PREMIUMS | | | | | | |
| | | PREM/OPS | | \$223 | | |
| | | PROD/C-OPS | | \$146 | | |
| | | LOB | | \$250 | | |
| | 1/ 1 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 002 | | 61212 | PREM/OPS | A | 125,000 24.906 | 3,113 |
| | 2/ 2 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 003 | | 61212 | PREM/OPS | A | 59,770 24.906 | 1,489 |
| | 3/ 3 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 004 | | 61212 | PREM/OPS | A | 7,140 24.906 | 178 |
| | 4/ 4 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 005 | | 61212 | PREM/OPS | A | 22,571 24.906 | 562 |
| | 5/ 5 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 006 | | 61212 | PREM/OPS | A | 11,550 24.906 | 288 |

*This class is subject to the prem/ops transition program.

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM |
|---------|---------------|--|----------|------------------------|---------------|-----------------|
| | | 6/ 6 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 007 | 61212 | | PREM/OPS | A | 7,464 24.906 | 186 |
| | | 7/ 7 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 008 | 61212 | | PREM/OPS | A | 7,510 24.906 | 187 |
| | | 8/ 8 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 009 | 61212 | | PREM/OPS | A | 15,000 24.906 | 374 |
| | | 9/ 9 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 010 | 61212 | | PREM/OPS | A | 22,549 24.906 | 562 |
| | | 10/ 10 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 011 | 61212 | | PREM/OPS | A | 6,528 24.906 | 163 |

*This class is subject to the prem/ops transition program.

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DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM | |
|---------|---------------|---|----------|------------------------|--------|-----------------|-------|
| | 11/ 11 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 012 | | 61212 | PREM/OPS | A | 5,760 | 24.906 | 143 |
| | 12/ 12 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 013 | | 61212 | PREM/OPS | A | 13,468 | 24.906 | 335 |
| | 13/ 13 | VACANT LAND - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 014 | | 49451 EACH | PREM/OPS | T ACRE | 1 | 3.772 | 4 |
| | 13/ 13 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 015 | | 61212 | PREM/OPS | A | 87,013 | 24.906 | 2,167 |
| | 14/ 14 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 016 | | 61212 | PREM/OPS | A | 15,075 | 24.906 | 375 |

*This class is subject to the prem/ops transition program.

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DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM | |
|---------|---------------|--|----------|------------------------|--------|-----------------|-------|
| | | 15/ 15 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 017 | | 61212 | PREM/OPS | A | 30,119 | 24.906 | 750 |
| | | 16/ 16 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 018 | | 61212 | PREM/OPS | A | 42,662 | 24.906 | 1,063 |
| | | 17/ 17 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 019 | | 61212 | PREM/OPS | A | 11,996 | 24.906 | 299 |
| | | 18/ 18 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 020 | | 61212 | PREM/OPS | A | 12,588 | 24.906 | 314 |
| | | 19/ 19 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 021 | | 61212 | PREM/OPS | A | 5,450 | 24.906 | 136 |

*This class is subject to the prem/ops transition program.

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DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM | |
|---------|---------------|---|----------|------------------------|--------|-----------------|-------|
| | 20/ 20 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 022 | | 61212 | PREM/OPS | A | 4,920 | 24.906 | 123 |
| | 21/ 21 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 023 | | 61212 | PREM/OPS | A | 64,408 | 24.906 | 1,604 |
| | 22/ 22 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 024 | | 61212 | PREM/OPS | A | 13,579 | 24.906 | 338 |
| | 23/ 23 | PARKING - PUBLIC - SHOPPING CENTERS - MAINTAINED BY THE LESSEE (LESSOR'S RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 025 | | 46606 | PREM/OPS | A | 4,100 | 9.523 | 39 |
| | 23/ 23 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 026 | | 61212 | PREM/OPS | A | 15,762 | 24.906 | 393 |

*This class is subject to the prem/ops transition program.

 If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM |
|---------|--------------|---|------------|------------------------|-----------------|-----------------|
| | 24/ 24 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 027 | | 61212 | PREM/OPS | A | 8,458 24.906 | 211 |
| | 25/ 25 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 028 | | 61212 | PREM/OPS | A | 1,200 23.612 | 28 |
| | 26/ 26 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 029 | | 61212 | PREM/OPS | A | 2,148 24.906 | 53 |
| | 27/ 27 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 030 | | 61212 | PREM/OPS | A | 4,820 23.612 | 114 |
| | 28/ 28 | RESTAURANTS - WITH SALE OF ALCOHOLIC BEVERAGES THAT ARE LESS THAN 30% OF THE ANNUAL RECEIPTS OF THE RESTAURANTS - WITH TABLE SERVICE | | | | |
| 031 | | 16910 | PREM/OPS | S | 1,856,536 2.180 | 4,047 |
| 032 | | | PROD/C-OPS | S | 1,856,536 .072 | 134 |
| | 29/ 29 | RESTAURANTS - WITH SALE OF ALCOHOLIC BEVERAGES THAT ARE LESS THAN 30% OF THE ANNUAL RECEIPTS OF THE RESTAURANTS - WITH TABLE SERVICE | | | | |
| 034 | | 16910 | PREM/OPS | S | 2,246,045 2.180 | 4,896 |
| 035 | | | PROD/C-OPS | S | 2,246,045 .072 | 162 |

*This class is subject to the prem/ops transition program.

 If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG TO 12.

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM | |
|---------|---------------|--|----------|------------------------|-----------|-----------------|--------|
| | 29/ 29 | HOTELS AND MOTELS - WITH POOLS OR BEACHES - LESS THAN FOUR STORIES PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 036 | | 45190 | PREM/OPS | S | 3,530,000 | 2.846 | 10,046 |
| | 30/ 30 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 038 | | 61212 | PREM/OPS | A | 7,140 | 24.906 | 178 |
| | 32/ 32 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 039 | | 61212 | PREM/OPS | A | 6,485 | 24.906 | 162 |
| | 33/ 33 | BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 040 | | 61212 | PREM/OPS | A | 6,400 | 24.906 | 159 |
| | 34/ 34 | PARKING - PRIVATE PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | |
| 041 | | 46622 | PREM/OPS | A | 29,027 | 23.127 | 671 |

*This class is subject to the prem/ops transition program.

 If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG TO 12.

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: Y-630-0K557677-COF-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM |
|---------|---------------|--|---------|------------------------|--------|-----------------|
| | | 35/ 35 BUILDINGS OR PREMISES - BANK OR OFFICE - MERCANTILE OR MANUFACTURING (LESSOR'S RISK ONLY) - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | |
| 042 | 61212 | PREM/OPS | A | 3,552 | 24.906 | 88 |
| | | COVERAGE PART TOTAL | | | | 36,134 |

*This class is subject to the prem/ops transition program.

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

KEY TO DECLARATIONS PREMIUM SCHEDULE

ABBREVIATIONS:

CLASS DESCRIPT – means CLASS DESCRIPTION

LOC/BLDG NO. – means LOCATION/BUILDING NUMBER

OPN NO. – means OPERATION NUMBER

PREM/OPS – means PREMISES/OPERATIONS

PROD/C-OPS – means PRODUCTS/COMPLETED OPERATIONS

PREMIUM BASE:

| Key Letter | Premium Base | How Rates Apply |
|------------|-------------------------|---|
| a | Area | per 1,000 square feet |
| c | Total Cost | per \$1,000 of total cost |
| m | Admissions | per 1,000 admissions |
| o | Total Operating Expense | per \$1,000 of total operating expenditures |
| p | Payroll | per \$1,000 of payroll |
| s | Gross Sales | per \$1,000 of gross sales |
| t | (see note* below) | (see note* below) |
| u | Units | per unit |

* Premium base t applies for a number of rarely used premium bases. The specific base and how rates apply are shown with the Class Description on the DECLARATIONS-PREMIUM SCHEDULE.

TABLE OF CONTENTS

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG T1 00 02 19**

| SECTION I – COVERAGES | Beginning on Page |
|---|-------------------|
| Coverage A – | |
| Bodily Injury and Property Damage Liability | |
| Insuring Agreement | 1 |
| Exclusions | 2 |
| Coverage B – | |
| Personal and Advertising Injury Liability | |
| Insuring Agreement | 6 |
| Exclusions | 6 |
| Coverage C – | |
| Medical Payments | |
| Insuring Agreement | 9 |
| Exclusions | 9 |
| Supplementary Payments | 10 |
| SECTION II – WHO IS AN INSURED | 11 |
| SECTION III – LIMITS OF INSURANCE | 13 |
| SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS | 13 |
| Bankruptcy | 13 |
| Duties In The Event Of Occurrence, Offense, Claim Or Suit | 13 |
| Legal Action Against Us | 14 |
| Other Insurance | 15 |
| Premium Audit | 16 |
| Representations | 16 |
| Separation Of Insureds | 16 |
| Transfer Of Rights Of Recovery Against Others To Us | 16 |
| When We Do Not Renew | 16 |
| SECTION V – DEFINITIONS | 16 |

COMMERCIAL GENERAL LIABILITY

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES**COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

COMMERCIAL GENERAL LIABILITY

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that

COMMERCIAL GENERAL LIABILITY

is used to heat, cool or dehumidify the building, or produced by or originating from equipment that is used to heat water for personal use by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) If such "pollutants" are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed

to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are or were at any time performing operations to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any.
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

COMMERCIAL GENERAL LIABILITY

- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) 50 feet long or less; and
 - (b) Not being used to carry any person or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify as "mobile equipment" under the definition of "mobile equipment" if such land vehicle were not subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged; or

- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or

- (6) An aircraft that is:

- (a) Chartered with a pilot to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

COMMERCIAL GENERAL LIABILITY

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and

accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

However, this exclusion does not apply to liability for damages because of "bodily injury".

q. Unsolicited Communication

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

r. Access Or Disclosure Of Confidential Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

s. Asbestos

(1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.

COMMERCIAL GENERAL LIABILITY

(2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage" described in Paragraph (1) above.

(3) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or

(b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

t. Employment-Related Practices

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the

employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

Exclusions c. through n. do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

COMMERCIAL GENERAL LIABILITY

This exclusion does not apply to "personal injury" caused by malicious prosecution.

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Or Used Prior To Policy Period

(1) "Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or

(2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party

against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

f. Breach Of Contract

"Advertising injury" arising out of a breach of contract.

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Intellectual Property

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark;
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

(1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or

(2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" caused by an offense committed by an insured whose business is:

- (1) Advertising, "broadcasting" or publishing;

COMMERCIAL GENERAL LIABILITY

- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs a.(1), (2) and (3) of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts or owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or

neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Unsolicited Communication

"Personal and advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

q. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

r. Asbestos

- (1) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "personal and advertising injury" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "personal and advertising injury" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or

COMMERCIAL GENERAL LIABILITY

assess the effects of, asbestos, asbestos fibers or products containing asbestos; or

- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

s. Employment-Related Practices

"Personal injury" to:

- (1) A person arising out of any:
- (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "personal injury".

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or

- (3) Because of your operations; provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

COMMERCIAL GENERAL LIABILITY

SUPPLEMENTARY PAYMENTS

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

- d. assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverages – Coverage A – Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I – Coverages – Coverage B – Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

COMMERCIAL GENERAL LIABILITY

- a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer

workers" while performing duties related to the conduct of your business;

- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) "Property damage" to property:
 - (a) Owned, occupied or used by;
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization, while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property, and
 - (2) Until your legal representative has been appointed.

COMMERCIAL GENERAL LIABILITY

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
 - e. Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:
 - (1) 50 feet long or less; and
 - (2) Not being used to carry any person or property for a charge.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. An organization, other than a partnership, joint venture or limited liability company; or
 - b. A trust;
- as indicated in its name or the documents that govern its structure.
4. Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that:
- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and

- b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a. The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.

5. Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after the equipment lease expires.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint

COMMERCIAL GENERAL LIABILITY

venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and "advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C;
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
 For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part; or
 - b. \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

COMMERCIAL GENERAL LIABILITY

- (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:
- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.
 - (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
 - (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;
 - (ii) A manager of any limited liability company;

(iii) An executive officer or director of any other organization; or

(iv) A trustee of any trust;

that is your partner, joint venture member, manager or trustee; or

(b) Any employee authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.

(3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraph e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

COMMERCIAL GENERAL LIABILITY

4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as described in Paragraphs **a.** and **b.** below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph **5.** of Section **III** – Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph **4.** of Section **III** – Limits of Insurance applies because the Amendment – Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **c.** below, insurer means a provider of insurance.

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below, except when Paragraph **d.** below applies.

b. Excess Insurance

- (1) This insurance is excess over:
 - (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

- (ii) That is insurance for "premises damage";
 - (iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;
 - (iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph **4.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies; or
 - (v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph **5.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies.
- (b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.
- (2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
 - (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
 - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (b) The total of all deductible and self-insured amounts under all that other insurance.
 - (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

COMMERCIAL GENERAL LIABILITY

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

COMMERCIAL GENERAL LIABILITY

2. "Advertising injury":
- a. Means injury caused by one or more of the following offenses:
 - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
 - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light; or
 - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".
 - b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
3. "Auto" means:
- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged.
- However, "auto" does not include "mobile equipment".
4. "Bodily injury" means:
- a. Physical harm, including sickness or disease, sustained by a person; or
 - b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
5. "Broadcasting" means transmitting any audio or visual material for any purpose:
- a. By radio or television; or
 - b. In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
 - (1) Radio or television programming being transmitted;
 - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
 - (3) Advertising transmitted with any of such programming.
6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;
 provided the insured's responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph a. above, or in a settlement we agree to.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

COMMERCIAL GENERAL LIABILITY

10. "Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.
11. "Hostile fire" means a fire which becomes uncontrollable or breaks out from where it was intended to be.
12. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.
13. "Insured contract" means:
- A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";
 - A sidetrack agreement;
 - Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - An elevator maintenance agreement;
 - That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.
14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
15. "Loading or unloading" means the handling of property:
- After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - While it is in or on an aircraft, watercraft or "auto"; or
 - While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
16. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - Vehicles maintained for use solely on or next to premises you own or rent;
 - Vehicles that travel on crawler treads;

COMMERCIAL GENERAL LIABILITY

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged. Such land vehicles are considered "autos".

17. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions; or

b. An act or omission committed in providing or failing to provide first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

18. "Personal and advertising injury" means "personal injury" or "advertising injury".

19. "Personal injury":

a. Means injury, other than "advertising injury", caused by one or more of the following offenses:

- (1) False arrest, detention or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
- (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
- (5) Oral or written publication, including publication by electronic means, of material that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light.

b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.

20. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

COMMERCIAL GENERAL LIABILITY

21. "Premises damage" means:

- a. With respect to the first paragraph of the exceptions in Exclusion j. of Section I – Coverage A – Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of seven or fewer consecutive days, including the contents of such premises; or
- b. With respect to the exception to Exclusions c. through n. in the last paragraph of Paragraph 2. of Section I – Coverage A – Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of more than seven consecutive days, or while temporarily occupied by you with permission of the owner, caused by:
 - (1) Fire;
 - (2) Explosion;
 - (3) Lightning;
 - (4) Smoke resulting from fire, explosion or lightning; or
 - (5) Water.

But "premises damage" under this Paragraph b. does not include "property damage" to any premises caused by:

- (1) Rupture, bursting, or operation of pressure relief devices;
- (2) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water; or
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines.

22. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your

contract calls for work at more than one job site.

- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

23. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

24. "Slogan":

- a. Means a phrase that others use for the purpose of attracting attention in their advertising.
- b. Does not include a phrase used as, or in, the name of:
 - (1) Any person or organization, other than you; or
 - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

COMMERCIAL GENERAL LIABILITY

25. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
26. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
27. "Title" means a name of a literary or artistic work.
28. "Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.
29. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
30. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
31. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – REAL ESTATE DEVELOPMENT ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

A. This insurance does not apply to "bodily injury" or "property damage" arising out of any "real estate development activities" by or on behalf of any insured.

B. The following definition is added to **SECTION V – DEFINITIONS:**

"Real estate development activities" means the

design, site preparation, construction, marketing or sales of residential, commercial or industrial buildings.

C. The Provisions of this endorsement do not apply to the repair, maintenance, renovation, alteration or addition to an existing building owned by the Named Insured.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

KENT W SHODEEN TRUST NO. 1 AND ALL
BENEFICIARIES THEREUNDER, KENT W
SHODEEN TRUSTEE

Designated Premises:

407 & 477 S. THIRD ST; 416 S.
SECOND ST; 477 S. THIRD ST.
GENEVA, IL 60134
7 W. STATE ST. GENEVA, IL 60134
100 GLENGARRY DR. GENEVA, IL 60134
401-417 WILLIAMSBURG DR.
GENEVA, IL 60134
2039-2067 LINCOLN HIGHWAY
GENEVA, IL 60134
2075 PRAIRIE ST ST CHARLES IL 60174
2073 PRAIRIE ST ST CHARLES IL 60174
180 W LINCOLN HWY DEKALB, IL 60115
162 MCGIRR ROAD DEKALB, IL 60115
15 S RIVER LANE, GENEVA, IL 60134
2 W STATE ST, GENEVA, IL 60134

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

Designated Premises:

1925 LINCOLN HIGHWAY
ST CHARLES, IL 60174
3820 TAMARACK AVENUE, UNIT 200
WHITEFISH, MT 59937
3820 TAMAACK AVENUE, UNIT 320
WHITEFISH, MT 59937
3820 TAMARACK AVENUE, UNIT 330
WHITEFISH, MT 59937

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

MILL CREEK LAND COMPANY, L.L.C.

Designated Premises:

255 38TH AVENUE
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

TRI-CITY LAND MANAGEMENT
COMPANY, LLC

Designated Premises:

255 38TH AVE ST CHARLES, IL 60174
77 N. FIRST ST, GENEVA, IL 77 N. FI
902 S. RANDALL ROAD
ST CHARLES, IL 60174
870 S RANDALL ROAD
ST CHARLES, IL 60174
1797 W STATE ST, GENEVA, IL 60134
1803 W STATE ST, GENEVA, IL 60134
1795 W STATE ST, GENEVA, IL 60134
1 W STATE ST; 25 N RIVER LANE;
65 N RIVER LANE ST CHARLES IL 60174
507 S THIRD ST & CONNECTED PARKING
LOT GENEVA, IL 60134
1850 LINCOLN HIGHWAY,
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

Designated Premises:

35 N RIVER LN., GENEVA, IL 60134
15 S RIVER LN., GENEVA, IL 60134
2 W STATE ST, GENEVA, IL 60134
39W525 HERRINGTON DRIVE,
GENEVA, IL 60134
2025 LINOLN HIGHWAY,
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

GENERATION TWO, L.L.C. CRAIG A SHODEEN TRUST #1 AND ALL BENEFICIARIES THEREUNDER, ANNA B HARMON TRUST #1 AND ALL BENEFICIARIES, ERIC M SHODEEN TRUST #1 AND ALL BENEFICIARIES THEREUNDER WYATT A SHODEEN TRUST #1 AND ALL BENEFICIARIES THEREUNDER, AND HOLLAND M SHODEEN TRUST #1 AND ALL BENEFICIARIES THEREUNDER, BETH C SHODEEN TRUST #1 AND ALL BENEFICIARIES THEREUNDER, ANNA B. HARMON, LLC, BETH C. SHODEEN, LLC ERIC M. SHODEEN, LLC; CRAIG A. SHODEEN, LLC

Designated Premises:

2071-2081 LINCOLN HIGHWAY ST CHARLES, IL 60174
10 W STATE ST, GENEVA, IL 60134
1797 W STATE ST, GENEVA, IL 60134
1803 W STATE ST, GENEVA, IL 60134
1795 W STATE ST, GENEVA, IL 60134
1 W. ILLINOIS STREET ST CHARLES, IL 60174
1 W. STATE STREET, 25 N. RIVER LANE; 65 N. RIVER LANE
201 S. THRD STREET; 207 S. THIRD ST ALSO KNOWN AS 220-222 CAMPBELL ST
17 W. STATE ST. GENEVA, IL 60134
1144-1188 E. STATE STREET GENEVA, IL 60134

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

Designated Premises:

507 S. THIRD STREET &
CONNECTED PARKING LOT
577 S. THIRD ST, GENEVA, IL 60134
1850 LINCOLN HIGHWAY
ST CHARLES, IL 60174
35 N. RIVER LANE, GENEVA, IL 60134
39W525 HERRINGTON DRIVE
GENEVA, IL 60134
2025 LINCOLN HIGHWAY
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

COVINGTON COURT APARTMENTS

Designated Premises:

10 W STATE ST. GENEVA, IL 60134
1144-1188 E. STATE STREET
GENEVA, IL 60134
577 S. THIRD STREET
GENEVA, IL 60134

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

WENNLUND FARM, LLC

Designated Premises:

10 W. STATE ST. GENEVA, IL 60134
1144-1188 E. STATE STREET
GENEVA, IL 60134
577 S. THIRD ST, GENEVA, IL 60134

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

GENERATION THREE, LLC. DANIEL
MEISINGER TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, COLTON
MEISINGER TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, SAMANTHA
N SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, MAEGAN B
SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, HUNTER W
SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, JAMES
WILLIAM HARMON TRUST #1 AND ALL
BENECIARIES THEREUNDER, MARGARET
TAYLOR HARMON TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, WYATT A

Designated Premises:

10 W. STATE ST, GENEVA, IL 60134
300-328 CRESCENT PLACE
GENEVA, IL 6013
1144-1188 E STATE STREET
GENEVA, IL 60134
577 S THIRD ST. GENEVA, IL 60134

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, KENT J
HARMON TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, HOLLAND
M SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER

Designated Premises:

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

SHODEEN EQUITY INVESTMENTS
II, INC. (D)

Designated Premises:

2039-2067 LINCOLN HIGHWAY
GENEVA, IL 60134

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

WESSEL COURT EAST, L.L.C.

Designated Premises:

1400-1700 LINCOLN HIGHWAY
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

FOX ISLAND BUILDING CORPORATION

Designated Premises:

1 W. ILLINOIS STREET
ST CHARLES, IL 60174

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

THE SHODEEN FAMILY PROPERTY
COMPANY, LLC

Designated Premises:

AURORA, IL 60506
(EASTBANK PARKING LOT Q)

PROVISIONS

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., Primary Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE FOR DESIGNATED NAMED INSUREDS TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE OF DESIGNATED NAMED INSUREDS AND DESIGNATED PREMISES

Designated Named Insureds:

JOAN G SHODEEN TRUST #1 AND ALL
BENEFICIARIES THEREUNDER, JOAN
G SHODEEN TRUSTEE

Designated Premises:

3820 TAMARACK AVENUE, UNIT 200
WHITEFISH, MT 59937
3820 TAMARACK AVENUE, UNIT 320
WHITEFISH, MT 59937
3820 TAMARACK AVENUE, UNIT 330
WHITEFISH, MT 59937

PROVISIONS

1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises will qualify as a Named Insured, but only with respect to liability arising out of:

- a. The ownership, maintenance or use of the designated premises shown in the Schedule for that designated Named Insured; or
- b. Operations necessary or incidental to the ownership, maintenance or use of that premises.

2. The following is added to Paragraph 4.a., **Primary Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS :**

This insurance is primary to any other primary insurance available to you or the person or organization shown in the Schedule Of Designated Named Insureds And Designated Premises covering liability for damages arising out of the designated premises shown in such Schedule for that designated Named Insured, and we will not share with such other insurance.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – USERS OF GOLFMOBILES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person(s) using or legally responsible for the use of golfmobiles loaned or rented to others by you or any of your concessionaires but only for their liability arising out of the use of the golfmobiles.
- B.** For the purposes of this endorsement, golfmobile means a motorized conveyance that is:
1. Designed to carry up to four persons on a golf course for the purpose of playing golf; and
 2. Not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Description of Premises and Operations:

ALL RSTRNT OPERATIONS IN CONJUNCTION
WITH GENEVA ON THE DAM BANQUET HALL.
ALL RSTRNT PREMISES AND OPERATIONS.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or
2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf.

Paragraph a. of the definition of "Products-completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

COMMERCIAL GENERAL LIABILITY

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Description of Premises and Operations:

ALL RESTAURANT OPERATIONS IN
CONJUNCTION WITH ATWATERS
ALL RESTAURANT PREMISES AND OPERATIONS.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or
2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf.

Paragraph **a.** of the definition of "Products-completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED
(Includes Products-Completed Operations If Required By Contract)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you agree in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only:

- a. With respect to liability for "bodily injury" or "property damage" that occurs, or for "personal injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement and while that part of the contract or agreement is in effect; and
- b. If, and only to the extent that, such injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the written contract or agreement applies. Such person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is subject to the following provisions:

- a. If the Limits of Insurance of this Coverage Part shown in the Declarations exceed the minimum limits required by the written contract or agreement, the insurance provided to the additional insured will be limited to such minimum required limits. For the purposes of determining whether this limitation applies, the minimum limits required by the written contract or agreement will be considered to include the minimum limits of any Umbrella or Excess liability coverage required for the additional insured by that written contract or agreement. This provision will not increase the limits of insurance described in Section III – Limits Of Insurance.
- b. The insurance provided to such additional insured does not apply to:

- (1) Any "bodily injury", "property damage" or "personal injury" arising out of the providing, or failure to provide, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and

- (b) Supervisory, inspection, architectural or engineering activities.

- (2) Any "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the written contract or agreement specifically requires you to provide such coverage for that additional insured during the policy period.

- c. The additional insured must comply with the following duties:

- (1) Give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

- (a) How, when and where the "occurrence" or offense took place;

- (b) The names and addresses of any injured persons and witnesses; and

- (c) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- (2) If a claim is made or "suit" is brought against the additional insured:

COMMERCIAL GENERAL LIABILITY

- (a) Immediately record the specifics of the claim or "suit" and the date received; and
 - (b) Notify us as soon as practicable and see to it that we receive written notice of the claim or "suit" as soon as practicable.
- (3) Immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- (4) Tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover such additional insured for a loss we cover. However, this condition does not affect whether the insurance provided to such additional insured is primary to other insurance available to such additional insured which covers that person or organization as a named insured as described in Paragraph 4., Other Insurance, of Section IV – Commercial General Liability Conditions.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR SERVICE INDUSTRIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|---|
| <p>A. Who Is An Insured – Unnamed Subsidiaries</p> <p>B. Who Is An Insured – Employees And Volunteer Workers – Bodily Injury To Co-Employees And Co-Volunteer Workers</p> <p>C. Who Is An Insured – Newly Acquired Or Formed Limited Liability Companies</p> <p>D. Blanket Additional Insured – Broad Form Vendors</p> <p>E. Blanket Additional Insured – Controlling Interest</p> <p>F. Blanket Additional Insured – Mortgagees, Assignees, Successors Or Receivers</p> | <p>G. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Premises</p> <p>H. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations</p> <p>I. Blanket Additional Insured – Grantors Of Franchises</p> <p>J. Incidental Medical Malpractice</p> <p>K. Blanket Waiver Of Subrogation</p> |
|--|---|

PROVISIONS

A. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or

- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
 - b. An organization other than a partnership, joint venture or limited liability company; or
 - c. A trust;
- as indicated in its name or the documents that govern its structure.

B. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – BODILY INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to

COMMERCIAL GENERAL LIABILITY

your other "volunteer workers" while performing duties related to the conduct of your business.

C. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED LIMITED LIABILITY COMPANIES

The following replaces Paragraph 3. of **SECTION II – WHO IS AN INSURED:**

3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only:

(1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

(2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- b. An organization, other than a partnership, joint venture or limited liability company; or
- c. A trust;

as indicated in its name or the documents that govern its structure.

D. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- a. Occurs subsequent to the signing of that contract or agreement; and
- b. Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

b. The insurance provided to such vendor does not apply to:

(1) Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;

(2) Any change in "your products" made by such vendor;

(3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";

(5) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or

COMMERCIAL GENERAL LIABILITY

- (6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

E. BLANKET ADDITIONAL INSURED – CONTROLLING INTEREST

- 1. The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control; or
- b. Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

- 2. The following is added to Paragraph 4. of **SECTION II – WHO IS AN INSURED:**

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

F. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to **SECTION II – WHO IS AN INSURED:**

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- b. The insurance provided to such person or organization does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
 - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.

G. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES

The following is added to **SECTION II – WHO IS AN INSURED:**

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of any of the following for which that governmental entity has issued such permit or authorization: advertising signs, awnings,

COMMERCIAL GENERAL LIABILITY

canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

H. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

I. BLANKET ADDITIONAL INSURED – GRANTORS OF FRANCHISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that grants a franchise to you is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your operations in the franchise granted by that person or organization.

If a written contract or agreement exists between you and such additional insured, the limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

J. INCIDENTAL MEDICAL MALPRACTICE

- 1. The following replaces Paragraph b. of the definition of "occurrence" in the **DEFINITIONS** Section:
 - b. An act or omission committed in providing or failing to provide "incidental

medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

- 2. The following replaces the last paragraph of Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide:

- (a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician, paramedic, athletic trainer, audiologist, dietician, nutritionist, occupational therapist or occupational therapy assistant, physical therapist or speech-language pathologist; or
- (b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- 3. The following replaces the last sentence of Paragraph 5. of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

- 4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

COMMERCIAL GENERAL LIABILITY

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not

subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

K. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage:**

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Personal injury" or "advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – SPECIFIED THERAPEUTIC OR COSMETIC SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Operations:

**AL SPA SERVICES CONDUCTED BY THE HERRINGTON INN OR ON YOUR
BEHALF**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

With respect to any operation shown in the Schedule, this insurance does not apply to "bodily injury", "prop-

erty damage", "personal injury" or "advertising injury" arising out of the rendering of or failure to render any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION
– EXCEPTION FOR DAMAGES ASSUMED IN AN INSURED
CONTRACT APPLIES ONLY TO NAMED INSURED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following replaces Paragraph (2) of Exclusion b., **Contractual Liability**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

(2) Assumed by you in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. The following replaces the beginning of Paragraph 2., and Paragraphs 2.a., b., c., d. and e., of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:

2. If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will have the right and duty to defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which you have assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by you;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by you in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that we determine that no conflict exists between your interests and the interests of the indemnitee;
 - e. You and the indemnitee ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend you and the indemnitee; and
3. The following replaces the last sentence of Paragraph 2. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:
- Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:
- a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
 - b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF CONSUMER FINANCIAL PROTECTION LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Violation Of Consumer Financial Protection Laws

"Bodily injury" or "property damage" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "bodily injury" or "property damage" alleged in any claim or "suit" that also alleges any such violation.

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

Violation Of Consumer Financial Protection Laws

"Personal injury" or "advertising injury" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such violation.

3. The following is added to the **DEFINITIONS** Section:

"Consumer financial identity information" means any of the following information for a person that is used or collected for the purpose of serving as a factor in establishing such person's eligibility for personal credit, insurance or employment, or for the purpose of conducting a business transaction:

- a. Part or all of the account number, the expiration date or the balance of any credit, debit, bank or other financial account.
- b. Information bearing on a person's credit worthiness, credit standing or credit capacity.
- c. Social security number.
- d. Drivers license number.
- e. Birth date.

"Consumer financial protection law" means:

- a. The Fair Credit Reporting Act (FCRA) and any of its amendments, including the Fair and Accurate Credit Transactions Act (FACTA);
- b. California's Song-Beverly Credit Card Act and any of its amendments; or
- c. Any other law or regulation that restricts or prohibits the collection, dissemination, transmission, distribution or use of "consumer financial identity information".

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DISCRIMINATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions, of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Discrimination

"Bodily injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

2. The following exclusion is added to Paragraph 2., **Exclusions, of SECTION I – COVERAGES – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:**

Discrimination

"Personal injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEM

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
Exterior Insulation And Finish System
 - (1) "Property damage" arising out of "your product" or "your work":
 - (a) That is or that is in or part of any "exterior insulation and finish system" or any substantially similar system; or
 - (b) That impacts the fitness, quality, durability or performance of any "exterior insulation and finish system" or any substantially similar system.
 - (2) "Bodily injury" arising out of "your product" or "your work" described in Paragraph (a) or (b) above and that is alleged in any claim or "suit" which also alleges such "property damage".
2. The following is added to SECTION V – DEFINITIONS:
"Exterior insulation and finish system" (commonly referred to as synthetic stucco or EIFS):
 - a. Means an exterior cladding or finish system used on any part of any structure and consisting of:
 - (1) A rigid or semi rigid insulation board made of expanded polystyrene or other materials;
 - (2) The adhesive or mechanical fasteners used to attach the insulation board to the substrate;
 - (3) A reinforced base coat; and
 - (4) A finish coat providing surface texture and color.
 - b. Includes any conditioner, primer, accessory, flashing, coating, caulking or sealant used in connection with such a system.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION—TOBACCO OR NICOTINE

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Tobacco Or Nicotine

"Bodily injury" or "property damage" arising out of the:

- (1) Sale, manufacture, handling, distribution, marketing or advertising of; or
- (2) Actual, alleged or threatened absorption, consumption, ingestion, inhalation or use of, or exposure to,

any "tobacco or tobacco product" or "nicotine or nicotine product".

This exclusion applies to all such "bodily injury" or "property damage", regardless of whether such "bodily injury" or "property damage" is included in the "products-completed operations hazard".

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

Tobacco Or Nicotine

"Personal injury" or "advertising injury" arising out of the:

- (1) Sale, manufacture, handling, distribution, marketing or advertising of; or
- (2) Actual, alleged or threatened absorption, consumption, ingestion, inhalation or use of, or exposure to,

any "tobacco or tobacco product" or "nicotine or nicotine product".

3. The following is added to the **DEFINITIONS** Section:

"Nicotine or nicotine product":

a. Means:

- (1) Natural or synthetic nicotine, in any form; or
- (2) Any good or product that contains natural or synthetic nicotine.

b. Includes:

- (1) Any material, substance, ingredient or element on, in or part of natural or synthetic nicotine;
- (2) Any smoke, vapor, soot, fume or other substance that results from natural or synthetic nicotine, or from any good or product that contains natural or synthetic nicotine;
- (3) Any filter, paper, tip, wrapper or other part of any good or product containing natural or synthetic nicotine;
- (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of natural or synthetic nicotine, or any container, material, part, equipment or accessory furnished in connection with such device;
- (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine; or
- (6) The providing of or failure to provide warnings or instructions with respect to natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine.

COMMERCIAL GENERAL LIABILITY

"Tobacco or tobacco product":

a. Means:

- (1) Any type of tobacco, in any form; or
- (2) Any good or product that contains tobacco.

b. Includes:

- (1) Any material, substance, ingredient or element on, in or part of tobacco;
- (2) Any smoke, vapor, soot, fume or other substance that results from tobacco, or from any good or product that contains tobacco;
- (3) Any filter, paper, tip, wrapper or other part of any good or product containing tobacco;

- (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of tobacco, or any container, material, part, equipment or accessory furnished in connection with such device;
- (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of tobacco, or with respect to any good or product that contains tobacco; or
- (6) The providing of or failure to provide warnings or instructions with respect to tobacco, or with respect to any good or product that contains tobacco.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – SILICA

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of or in any way related to the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of silica or products or substances containing silica. This includes, but is not limited to:

- a. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

This exclusion applies to all such "bodily injury" or "property damage" whether or not the "bodily injury" or "property damage" is included in the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROFESSIONAL SERVICES EXCLUSION –
THERAPEUTIC OR COSMETIC SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of:

1. The rendering of or failure to render any service, treatment, advice or instruction related to:
 - a. Any hair removal by electrolysis or any surgical procedure to remove or replace hair;
 - b. Any application of permanent cosmetic makeup or implantation of pigments into skin pores;
 - c. Any invasive medical or surgical procedure to improve or alter the appearance of skin, including but not limited to injec-

tions, chemical peels, dermabrasion, laser surgery or cryosurgery;

- d. Massage except for facial or scalp massages;
 - e. Body piercing;
 - f. Diet or physical fitness;
 - g. Chiroprody; or
 - h. Tanning the skin;
2. The rendering of any service or treatment without a license, if the law requires a license to perform the service or treatment; or
 3. The rendering of or failure to render any service, treatment, advice or instruction that requires the performance, care, prescription or supervision by a medical doctor.

This exclusion applies even if the claim against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by any insured.

**EMPLOYEE BENEFITS
LIABILITY**



**EMPLOYEE BENEFITS
LIABILITY**



One Tower Square, Hartford, Connecticut 06183

**EMPLOYEE BENEFITS LIABILITY
COVERAGE PART DECLARATIONS**

POLICY NO.: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

DECLARATIONS PERIOD: From 01-01-20 to 01-01-21 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Employee Benefits Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

1. COVERAGE AND LIMITS OF INSURANCE

| Employee Benefits Liability Coverage Form | Limits of Insurance |
|--|---------------------|
| Aggregate Limit | \$ 2,000,000 |
| Each Employee Limit | \$ 1,000,000 |

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. RETROACTIVE DATE:

This insurance does not apply to negligent acts, errors or omissions which occurred before the Retroactive Date, if any shown below.

Retroactive Date: 01-01-2013

5. EMPLOYEE BENEFIT PROGRAMS OTHER THAN THOSE LISTED IN SECTION VII-DEFINITIONS:

6. DEDUCTIBLE:

\$ NONE EACH EMPLOYEE

7. PREMIUM COMPUTATION:

| Estimated No. of Employees | Rate Per Employee | Estimated Premium | Minimum Premium |
|-------------------------------|-------------------------|----------------------|--------------------|
| 151 | | \$ 300 | \$ 300 |

8. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

TABLE OF CONTENTS

EMPLOYEE BENEFITS LIABILITY COVERAGE FORM

Beginning on Page

SECTION I - EMPLOYEE BENEFITS LIABILITY COVERAGE

Insuring Agreement 1
Exclusions 2
Supplementary Payments 3

SECTION II - WHO IS AN INSURED 3

SECTION III - LIMITS OF INSURANCE 4

SECTION IV - DEDUCTIBLE 4

SECTION V - EMPLOYEE BENEFITS LIABILITY CONDITIONS 5

Bankruptcy 5
Duties in The Event of Act, Error or Omission, Claim Or Suit 5
Legal Action Against Us 6
Other Insurance 6
Premium Audit 6
Representations 7
Separation of Insureds 7
Transfer of Rights of Recovery Against Others To Us 7
When We Do Not Renew 7
Cancellation, Non-renewal And Renewal Conditions Applicable to
Commercial General Liability Coverage Part 7

SECTION VI - EXTENDED REPORTING PERIODS 7

SECTION VII - DEFINITIONS 8

COMMERCIAL GENERAL LIABILITY

EMPLOYEE BENEFITS LIABILITY COVERAGE FORM**THIS INSURANCE PROVIDES CLAIMS-MADE COVERAGE.
PLEASE READ THE ENTIRE FORM CAREFULLY.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VII – Definitions.

SECTION I – EMPLOYEE BENEFITS LIABILITY COVERAGE**1. Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of loss to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for loss to which this insurance does not apply. We may, at our discretion, investigate any negligent act, error or omission and settle any claim or "suit" that may result: But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to loss only if:

- (1) The loss is caused by a negligent act, error or omission committed by the insured, or by any other person for whose acts the insured is legally liable, in the "administration" of your "employee benefit program";
- (2) The negligent act, error or omission is committed in the "coverage territory";

(3) The negligent act, error or omission was committed on or after the Retroactive Date, if any, shown in the Declarations of this Coverage Part and before the end of the policy period; and

(4) A claim or "suit" for damages because of the loss is first made or brought against any insured, in accordance with Paragraph e. below, during the policy period or any Extended Reporting Period we provide under Section VI – Extended Reporting Periods.

c. Each negligent act, error or omission in a series of related negligent acts, errors or omissions will be deemed to have been committed on the date the first such negligent act, error or omission in that series is committed.

d. If the Retroactive Date is left blank in the Declarations of this Coverage Part, the Retroactive Date will be deemed to be the first day of the policy period.

e. A claim or "suit" seeking damages will be deemed to have been first made or brought at the earlier of the following times:

- (1) When we or any insured first receives written notice of such claim or "suit", whichever comes first; or
- (2) When we first receive written notice from any insured of a specific negligent act, error or omission that caused the loss which resulted in such claim or "suit".

All claims or "suits" that seek damages because of loss sustained by any one "employee", including the "employee's" dependents and beneficiaries, will be deemed

COMMERCIAL GENERAL LIABILITY

to have been first made or brought at the time the first of those claims or "suits" is made or brought against any insured.

f. A claim or "suit" that seeks damages will be deemed to have been first made or brought at the time we receive written notice from any insured of a specific negligent act, error or omission only if that notice contains all of the following information:

- (1) How, when and where the negligent act, error or omission was committed;
- (2) A description of what happened;
- (3) A description of what damages may result;
- (4) The identity of the person or organization that may make a claim or bring a "suit"; and
- (5) The identity of each insured that committed the negligent act, error or omission.

Notice to us that any insured may in the future receive written notice of a negligent act, error or omission, claim or "suit" is not notice of a specific negligent act, error or omission.

2. Exclusions

This insurance does not apply to:

a. Criminal, Dishonest, Fraudulent Or Malicious Acts

Loss arising out of any criminal, dishonest, fraudulent, or malicious act, error or omission committed by any insured, including the willful or reckless violation of any law or regulation.

b. Injury Or Damage

"Bodily injury", "property damage", "personal injury" or "advertising injury."

c. Failure To Perform A Contract

Loss arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Loss arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

e. Inadequacy Of Performance Of Investment Or Advice Given With Respect To Participation

Any claim or "suit" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

f. Workers' Compensation And Similar Laws

Loss arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Loss for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as amended, or by any similar federal, state or local laws.

h. Available Benefits

Loss of benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

- (1) Any taxes, fines, or penalties, including those imposed under any provision of the Internal Revenue Code of 1986, as amended, or any similar state or local law; or
- (2) Any loss, cost or expense arising out of the imposition of such taxes, fines or penalties.

j. Employment-Related Practices

Loss to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practice or policy, such as coercion, demotion, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or

COMMERCIAL GENERAL LIABILITY

imprisonment applied to or directed at that person, regardless of whether such practice or policy occurs, is applied or is committed before, during or after the time of that person's employment; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of loss to that person at whom any of the employment-related practices or policies described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the loss.

k. Access Or Disclosure Of Confidential Or Personal Information

Loss arising out of any access or disclosure of any person's or organization's confidential or personal information.

3. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$500 a day because of time off from work.
- d. All costs taxed against the insured in the "suit."
- e. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we made an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or

deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are also insureds, but only with respect to their liability as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Each of your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), who is or was authorized to administer your "employee benefit program."
- b. Any person or organization having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership

COMMERCIAL GENERAL LIABILITY

or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire, or form the organization or the end of the policy period, whichever is earlier:
- b. Coverage under this provision does not apply to any negligent act, error or omission that was committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits";
 - d. Acts, errors or omissions; or
 - e. Benefits included in your "employee benefit program".
2. The Aggregate Limit is the most we will pay for all damages because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program."
3. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program".

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that

case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – DEDUCTIBLE

1. The Deductible shown in the Declarations and the rules below fix the amount of damages incurred by, or on behalf of, you or any insured that you will be responsible for paying, regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought;
 - c. Persons or organizations making claims or bringing "suits";
 - d. Acts, errors or omissions; or
 - e. Benefits included in your "employee benefit program".

If no amount is shown for the Deductible in the Declarations, the Deductible does not apply to this Coverage Part.

2. The Deductible applies to all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program".
3. The Limits of Insurance will not be reduced by the amount of damages within the deductible amount.
4. The terms of this policy, including those with respect to:
 - a. Our right and duty with respect to the defense of "suits"; and
 - b. Your duties in the event of an act, error or omission, claim or suit;
 apply irrespective of the application of the deductible amount.
5. If we settle a claim or "suit" for damages, or pay a judgment for damages awarded in a "suit", that are subject to a deductible, we may pay any part or all of the deductible amount. You will promptly reimburse us for such part of the deductible amount as we have paid.

SECTION V – EMPLOYEE BENEFITS LIABILITY CONDITIONS**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

COMMERCIAL GENERAL LIABILITY

2. Duties In The Event Of Act, Error Or Omission, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:

- (1) What the act, error or omission was and when it was committed; and
- (2) The names and addresses of any "employees" who may suffer loss caused by the act, error or omission.

b. If a claim is made or "suit" is brought by any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or a "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of loss to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section III – Who Is An Insured:

- (1) Notice to us of such act, error or omission must be given as soon as practicable only after the act, error or omission is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint

venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an act, error or omission.

- (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such act, error or omission must be given as soon as practicable only after the act, error or omission is known by:

(a) Any individual who is:

- (i) A lawfully elected or appointed official, executive officer or director of any public entity;
 - (ii) A partner or member of any partnership or joint venture;
 - (iii) A manager of any limited liability company;
 - (iv) An executive officer or director of any other organization; or
 - (v) A trustee of any trust;
- that is your partner, joint venture member, manager or trustee; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an act, error or omission.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that

COMMERCIAL GENERAL LIABILITY

are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as described in Paragraphs **a.** and **b.** below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **b.** below, insurer means a provider of insurance.

a. Primary Insurance

This insurance is primary. If any of the other insurance is also primary, we will share with all that other insurance by the method described in Paragraph **b.** below.

b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or renewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage

COMMERCIAL GENERAL LIABILITY

Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Cancellation, Nonrenewal And Renewal Conditions Applicable To Commercial General Liability Coverage Part

All conditions relating to cancellation, nonrenewal or renewal that are included in any endorsement applicable to the Commercial General Liability Coverage Part attached to this policy also apply to this Coverage Part.

SECTION VI – EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:

- a. This Coverage Part is cancelled or not renewed for any reason; or
- b. We renew or replace this Coverage Part with insurance that has a Retroactive Date later than the date shown in the Declarations.

2. The Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They only apply to claims or "suits" for loss caused by a negligent act, error or omission committed on or after the Retroactive Date shown in the Declarations and before the end of the policy period.

Once in effect, Extended Reporting Periods may not be canceled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 90 days.

The Basic Extended Reporting Period does not apply to claims or "suits" for loss covered under subsequent insurance you purchase, or that would be covered under such insurance but for the exhaustion of its applicable limit of insurance.

The Basic Extended Reporting Period does not reinstate or increase the limits of insurance.

4. A Supplemental Extended Reporting Period is available, but only by an endorsement and for an extra charge. This supplemental period starts with the end of the policy period and lasts for three years or an unlimited period of time, as set forth in the Supplemental Extended Reporting Period Endorsement. This supplemental period replaces the Basic Extended Reporting Period.

This Supplemental Extended Reporting Period will not go into effect unless we receive all of the following within 90 days after the end of the policy period and you have fulfilled all other duties, and complied with all other conditions and requirements, under this policy:

- a. A written request from you to purchase the Supplemental Extended Reporting Period;
- b. Full payment of the earned premium for this policy;
- c. Payment of the additional premium for the Supplemental Extended Reporting Period Endorsement; and
- d. Repayment of any deductible you owe us under this Coverage Part.

We will determine the additional premium for that endorsement in accordance with our rules and rates. The additional premium for the Supplemental Extended Reporting Period Endorsement will not exceed 200% of the annual premium for this policy.

This endorsement will set forth the terms, not inconsistent with this Section VI – Extended Reporting Periods, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims or "suits" first made or brought against any insured during such period is excess over any valid and collectible other insurance available under insurance in force after the Supplemental Extended Reporting Period starts.

The Supplemental Extended Reporting Period does not reinstate or increase the limits of insurance.

SECTION VII – DEFINITIONS

1. "Administration" means:

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of the "employee benefit program";

COMMERCIAL GENERAL LIABILITY

- b. Handling records in connection with the "employee benefit program"; or
- c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."

However, "administration" does not include handling payroll deductions.

2. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
3. "Advertising injury":
 - a. Means injury, other than "personal injury", caused by one or more of the following offenses:
 - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
 - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light; or
 - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".

- b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
4. "Bodily injury":
 - a. Means any harm, including sickness or disease, to the health of a person.
 - b. Includes mental anguish, injury or illness, or emotional distress.
 5. "Cafeteria plan" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
 6. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico or Canada, provided that the insured's responsibility to pay damages is determined in a "suit" on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada, or in a settlement we agree to.
 7. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 8. "Employee benefit program":
 - a. Means a program providing some or all of the following benefits to your "employees", whether provided through a "cafeteria plan" or otherwise:
 - (1) Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts, provided that no one other than your "employee" may subscribe to such benefits and such benefits are made generally available to all of those "employees" who satisfy the plan's eligibility requirements;
 - (2) Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than your "employee" may subscribe to such benefits and such benefits are made generally available to all of those "employees" who are eligible under the plan for such benefits;
 - (3) Unemployment insurance, social security benefits, workers' compensation and disability benefits;

COMMERCIAL GENERAL LIABILITY

- (4) Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - (5) Any other similar benefits designated in the Declarations or added thereto by endorsement.
- b. Does not include any benefit plan or program described in Paragraph a. above that is self-insured.
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Personal injury":
- a. Means injury, other than "advertising injury", caused by one or more of the following offenses:
 - (1) False arrest, detention or imprisonment;
 - (2) Malicious prosecution;
 - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
 - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
 - (5) Oral or written publication, including publication by electronic means, of material that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light.
- b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
12. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; or
 - b. Loss of use of tangible property that is not physically injured.
13. "Slogan":
- a. Means a phrase that others use for the purpose of attracting attention in their advertising.
 - b. Does not include a phrase used as, or in, the name of:
 - (1) Any person or organization, other than you; or
 - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.
14. "Suit" means a civil proceeding in which damages because of loss to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or submits with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
15. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
16. "Title" means a name of a literary or artistic work.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – EBL

This endorsement modifies insurance provided under the following:

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

PROVISIONS

1. The following is added to Paragraph 1., Insuring Agreement, of SECTION I – EMPLOYEE BENEFITS LIABILITY COVERAGE:

If we initially defend an insured or pay for an insured's defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

2. The following is added to SECTION V – EMPLOYEE BENEFITS LIABILITY CONDITIONS:

Your Right to Claim Information And Act, Error Or Omission Information

a. Subject to Paragraph e. below, we will provide the first Named Insured shown in the Declarations, within thirty days of the insured's written request or at the same time as any notice of cancellation or nonrenewal, the following claim information and information about acts, errors or omissions relating to employee benefits liability coverage we have issued to you within the last three years:

(1) Information concerning closed claims limited to the date and description of acts, errors or omissions and total amount of payments, if any;

(2) Information concerning open claims limited to the date and description of acts, errors or omissions, total amount of payments and total reserves, if any; and

(3) Information concerning acts, errors or omissions not included in Paragraphs a.(1) and a.(2) above limited to the date and description of acts, errors or omissions and total reserves, if any.

b. Subject to Paragraph e. below, we will provide the first Named Insured shown in the Declarations, within 20 days after receipt of written request by the Named Insured, detailed claim information and information about acts, errors or omissions in addition to that provided under Paragraph a. above and including specific reserve amounts.

c. Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

d. We compile claim information and information about acts, errors or omissions for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

e. We will not provide the information included in Paragraphs a. and b. above, if this policy has been cancelled for nonpayment of premium, material misrepresentations or fraud on the part of the insured.

3. The following replaces the second paragraph of Paragraph 4. of SECTION VI – EXTENDED REPORTING PERIODS:

The Supplemental Extended Reporting Period will not go into effect unless we receive all of the following within 90 days after the end of the policy period and you have fulfilled all other duties and complied with all other conditions and requirements under this policy:

a. A written request from you to purchase the Supplemental Extended Reporting Period Endorsement; and

b. Payment of the additional premium for Supplemental Extended Reporting Period Endorsement.

COMMERCIAL GENERAL LIABILITY

4. The following replaces the term "spouse" wherever it appears in this Coverage Part: Spouse or party to a civil union recognized under Illinois law.

LIQUOR LIABILITY





LIQUOR LIABILITY



One Tower Square, Hartford, Connecticut 06183

**LIQUOR LIABILITY
COVERAGE PART DECLARATIONS**

**POLICY NUMBER: Y-630-0K557677-COF-20
ISSUE DATE: 01-11-20**

**INSURING COMPANY:
THE CHARTER OAK FIRE INSURANCE COMPANY**

Declarations Period: From 01-01-20 to 01-01-21 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Liquor Liability Coverage Part consist of these Declarations and the Coverage Form shown below.

1. COVERAGE AND LIMITS OF INSURANCE:

LIQUOR LIABILITY COVERAGE FORM

LIMITS OF INSURANCE

| | | |
|-------------------------|----|-----------|
| Aggregate Limit | \$ | 2,000,000 |
| Each Common Cause Limit | \$ | 1,000,000 |

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

CG TO 04 03 94

PRODUCER: A J GALLAGHER RMS

NI026

OFFICE: NAPERVILLE IL

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TABLE OF CONTENTS

**LIQUOR LIABILITY COVERAGE FORM
CG 00 33 04 13**

| | Beginning on Page |
|---|-------------------|
| SECTION I – LIQUOR LIABILITY COVERAGE | |
| Insuring Agreement | 1 |
| Exclusions | 1 |
| SUPPLEMENTARY PAYMENTS | 2 |
| SECTION II – WHO IS AN INSURED | 2 |
| SECTION III – LIMITS OF INSURANCE | 3 |
| SECTION IV – LIQUOR LIABILITY CONDITIONS | 3 |
| Bankruptcy | 3 |
| Duties In The Event Of Injury, Claim Or Suit | 4 |
| Legal Action Against Us | 4 |
| Other Insurance | 4 |
| Premium Audit | 4 |
| Representations | 5 |
| Separation Of Insureds | 5 |
| Transfer Of Rights Of Recovery Against Others To Us | 5 |
| When We Do Not Renew | 5 |
| SECTION V – DEFINITIONS | 5 |

COMMERCIAL GENERAL LIABILITY

LIQUOR LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – LIQUOR LIABILITY COVERAGE**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "injury" to which this insurance applies if liability for such "injury" is imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "injury" to which this insurance does not apply. We may, at our discretion, investigate any "injury" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "injury" only if:
- (1) The "injury" occurs during the policy period in the "coverage territory"; and
 - (2) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee"

authorized by you to give or receive notice of an "injury" or claim, knew that the "injury" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "injury" occurred, then any continuation, change or resumption of such "injury" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Injury" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "injury" or claim, includes any continuation, change or resumption of that "injury" after the end of the policy period.
- d. "Injury" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "injury" or claim:
 - (1) Reports all, or any part, of the "injury" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "injury"; or
 - (3) Becomes aware by any other means that "injury" has occurred or has begun to occur.

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Injury" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or

COMMERCIAL GENERAL LIABILITY

unemployment compensation law or any similar law.

c. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "injury".

d. Liquor License Not In Effect

"Injury" arising out of any alcoholic beverage sold, served or furnished while any required license is not in effect.

e. Your Product

"Injury" arising out of "your product". This exclusion does not apply to "injury" for which the insured or the insured's indemnitees may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

f. Other Insurance

Any "injury" with respect to which other insurance is afforded, or would be afforded but for the exhaustion of the limits of insurance.

This exclusion does not apply if the other insurance responds to liability for "injury" imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage.

g. War

"Injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
4. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
5. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
7. Expenses incurred by the insured for first aid administered to others at the time of an event to which this insurance applies.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

COMMERCIAL GENERAL LIABILITY

- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
- (1) "Injury":
- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (a) above; or
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (a) or (b) above.
- (2) "Property damage" to property:
- (a) Owned or occupied by; or
- (b) Rented or loaned;
- to that "employee", any of your other "employees", by any of your partners or members (if you are a partnership or joint venture), or by any of your members (if you are a limited liability company).
- b. Any person or organization having proper temporary custody of your property if you die, but only:
- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.
- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- b. Coverage does not apply to "injury" that occurred before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for all "injury" as the result of the selling, serving or furnishing of alcoholic beverages.
3. Subject to the Aggregate Limit, the Each Common Cause Limit is the most we will pay for all "injury" sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

COMMERCIAL GENERAL LIABILITY

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – LIQUOR LIABILITY CONDITIONS**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Injury, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "injury" which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "injury" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any "injury".

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury" to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume

any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b. below.

b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period

COMMERCIAL GENERAL LIABILITY

and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Coverage territory" means:
- The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - International waters or airspace, but only if the "injury" occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - All other parts of the world if the "injury" arises out of:
 - Goods or products made or sold by you in the territory described in Paragraph a. above; or
 - The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
3. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
5. "Injury" means damages because of "bodily injury" and "property damage", including damages for care, loss of services or loss of support.
6. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
7. "Property damage" means:
- Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.
8. "Suit" means a civil proceeding in which damages because of "injury" to which this insurance applies are alleged. "Suit" includes:

COMMERCIAL GENERAL LIABILITY

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
9. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
10. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIQUOR LIABILITY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

LIQUOR LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement includes provisions that broaden coverage. However, coverage for any injury described in any of the coverage broadening provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and any such provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Increased Supplementary Payments**
- B. Who Is An Insured – Newly Acquired Or Formed Organizations**
- C. Who Is An Insured – Liability For Conduct Of Unnamed Partnerships, Joint Ventures Or Limited Liability Companies**
- D. Knowledge And Notice Of Injury**
- E. Unintentional Omission**
- F. Meaning Of Other Insurance, Other Insurer And Insurer**
- G. Amendment Of War Exclusion**
- H. Amendment Of Bodily Injury Definition**

PROVISIONS

A. INCREASED SUPPLEMENTARY PAYMENTS

The following replaces Paragraph 3. of **SUPPLEMENTARY PAYMENTS OF SECTION I – LIQUOR LIABILITY COVERAGE:**

- 3.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

B. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following replaces Paragraph 3. of **SECTION II – WHO IS AN INSURED:**

- 3.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a.** Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- b.** Coverage does not apply to "injury" that occurred before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a.** An organization, other than a partnership, joint venture or limited liability company; or

- b.** A trust;

as indicated in its name or the documents that govern its structure.

C. WHO IS AN INSURED – LIABILITY FOR CONDUCT OF UNNAMED PARTNERSHIPS, JOINT VENTURES OR LIMITED LIABILITY COMPANIES

The following is added to the last paragraph of **SECTION II – WHO IS AN INSURED:**

This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

COMMERCIAL GENERAL LIABILITY

D. KNOWLEDGE AND NOTICE OF INJURY

The following is added to Paragraph 2., **Duties In The Event Of Injury, Claim Or Suit**, of **SECTION IV – LIQUOR LIABILITY CONDITIONS**:

The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

- (1) Notice to us of such "injury" must be given as soon as practicable only after the "injury" is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an "injury".
- (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "injury" must be given as soon as practicable only after the "injury" is known by:
 - (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;
 - (ii) A manager of any limited liability company;
 - (iii) An executive officer or director of any other organization; or
 - (iv) A trustee of any trust; that is your partner, joint venture member, manager or trustee; or
 - (b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "injury".
- (3) Notice to us of such "injury" will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "injury" as soon as practicable after any of the persons described in Paragraphs (1) or (2) above discovers that the "injury" may

results in sums to which the insurance provided by this Coverage Part may apply.

E. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., **Representations**, of **SECTION IV – LIQUOR LIABILITY CONDITIONS**:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or renewal in accordance with applicable insurance laws or regulations.

F. MEANING OF OTHER INSURANCE, OTHER INSURER AND INSURER

The following replaces the part of the first paragraph of Paragraph 4., **Other Insurance**, of **SECTION IV – LIQUOR LIABILITY CONDITIONS** that precedes Paragraph a.:

If valid and collectible other insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as described in Paragraph a. below:

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph b. below, insurer means a provider of insurance.

G. AMENDMENT OF WAR EXCLUSION

The following replaces Exclusion g., **War**, in Paragraph 2. of **SECTION I – LIQUOR LIABILITY COVERAGE**:

g. War

"Injury" arising out of:

COMMERCIAL GENERAL LIABILITY

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

H. AMENDMENT OF BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** section:

"Bodily injury" means:

- a. Physical harm, including sickness or disease, sustained by a person; or
- b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.

POLICY NUMBER: Y-630-0K557677-COF-20

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 01-11-20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – LIQUOR LIABILITY

This endorsement modifies insurance provided under the following:

LIQUOR LIABILITY COVERAGE FORM

SCHEDULE

| | Limits Of Insurance |
|--|----------------------------|
| Each Person Bodily Injury Limit | \$ 68,777.44 |
| Each Person Property Damage Limit | \$ 68,777.44 |
| Loss Of Means Of Support Or Loss Of Society Limit | \$ 84,061.32 |

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to Illinois locations:

- A.** The Each Common Cause Limit shown in the Declaration is replaced by the limits shown in the Schedule above. The Aggregate Limit shown in the Declaration continues to apply.
- B.** Paragraph 3. of **Section III – Limits Of Insurance** is replaced by the following:
 - 3.** Subject to the Aggregate Limit, the Loss Of Means Of Support Or Loss Of Society Limit is the most we will pay for all loss of means of support or society claimed by one or more persons because of "bodily injury" sustained by any one provider of such support or society as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.
- C.** The following paragraphs are added to **Section III – Limits Of Insurance**:
 - 4.** Subject to the Aggregate Limit, the Each Person Bodily Injury Limit is the most we will pay

for all "bodily injury" sustained by one person as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

- 5.** Subject to the Aggregate Limit, the Each Person Property Damage Limit is the most we will pay for all "property damage" sustained by one person or organization as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.
- D. Conformity To Statute**
If the limitation provided under Section 235.5/6-21 as published in the Illinois Administrative Code is raised during the policy period, the limits of insurance provided in the Schedule of this endorsement are hereby amended to conform to that statute.

**DECLARATIONS PREMIUM SCHEDULE
LIQUOR LIABILITY COVERAGE PART**

POLICY NUMBER: Y-630-0K557677-COF-20

ISSUE DATE: 01-11-20

This Schedule applies to the Declarations for the period of 01-01-20 to 01-01-21

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

| OPN NO. | LOC/ BLDG NO. | CLASS DESCRIPT/ CODE NO. | SUBLINE | PREMIUM BASE/ EXPOSURE | RATES | ADVANCE PREMIUM |
|--|---------------|--------------------------|---------|------------------------|-------|-----------------|
| MINIMUM PREMIUMS | | | | | | |
| | LIQUOR | | | \$573 | | |
| | LOB | | | \$250 | | |
| 28/ 28 RESTAURANTS, TAVERNS, HOTELS, MOTELS, INCLUDING PACKAGE SALES | | | | | | |
| 033 | 58161 | LIQUOR | S | 415,000 | 9.583 | 3,977 |
| 29/ 29 RESTAURANTS, TAVERNS, HOTELS, MOTELS, INCLUDING PACKAGE SALES | | | | | | |
| 037 | 58161 | LIQUOR | S | 679,443 | 9.583 | 6,511 |
| COVERAGE PART TOTAL | | | | | | 10,488 |

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

**MULTIPLE SUBLINE
ENDORSEMENTS**



**MULTIPLE SUBLINE
ENDORSEMENTS**

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART

A. Cancellation (Common Policy Conditions) is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
3. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a

substantial part of the underlying risk insured; or

f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

4. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.

5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

6. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

B. The following is added and supersedes any provision to the contrary:

Nonrenewal

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

**INTERLINE
ENDORSEMENTS**



**INTERLINE
ENDORSEMENTS**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement applies to the insurance provided under the following:

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE
COMMERCIAL GENERAL LIABILITY COVERAGE PART
CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART
CYBERFIRST LIABILITY COVERAGE
EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY* WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COV-
ERAGE PART
ENVIRONMENTAL HAZARD POLICY
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE
LAW ENFORCEMENT LIABILITY COVERAGE PART
LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND
INFORMATION SECURITY LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANS-
PORTATION
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART
Any other Commercial Liability coverage included in this policy that is subject to the federal Terrorism
Risk Insurance Act of 2002 as amended

PROVISIONS

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.
84% with respect to such Insured Losses occurring in calendar year 2016.
83% with respect to such Insured Losses occurring in calendar year 2017.
82% with respect to such Insured Losses occurring in calendar year 2018.
81% with respect to such Insured Losses occurring in calendar year 2019.
80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is included in the premium for such coverage. The charge for such Insured Losses that has been included for each such coverage is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA.

- **1% of each applicable Commercial Liability Coverage premium.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT OF COMMON POLICY CONDITIONS –
PROHIBITED COVERAGE – UNLICENSED INSURANCE
AND TRADE OR ECONOMIC SANCTIONS**

This endorsement modifies insurance provided under the following:

ALL COVERAGES INCLUDED IN THIS POLICY

The following is added to the Common Policy Conditions:

Prohibited Coverage – Unlicensed Insurance

1. With respect to loss sustained by any insured, or loss to any property, located in a country or jurisdiction in which we are not licensed to provide this insurance, this insurance does not apply to the extent that insuring such loss would violate the laws or regulations of such country or jurisdiction.
2. We do not assume responsibility for:
 - a. The payment of any fine, fee, penalty or other charge that may be imposed on any person or organization in any country or jurisdiction because we are not licensed to provide insurance in such country or jurisdiction; or

- b. The furnishing of certificates or other evidence of insurance in any country or jurisdiction in which we are not licensed to provide insurance.

Prohibited Coverage – Trade Or Economic Sanctions

We will provide coverage for any loss, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose us or any of our affiliated or parent companies to:

1. Any trade or economic sanction under any law or regulation of the United States of America; or
2. Any other applicable trade or economic sanction, prohibition or restriction.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART
CYBERFIRST LIABILITY COVERAGE
DELUXE PROPERTY COVERAGE PART
EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY+ WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT
COVERAGE PART
ENVIRONMENTAL HAZARD POLICY
EQUIPMENT BREAKDOWN COVERAGE PART
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE
LAW ENFORCEMENT LIABILITY COVERAGE PART
LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND
INFORMATION SECURITY LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF
TRANSPORTATION
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

If aggregate insured losses attributable to "certified acts of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under "TRIA", we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to "TRIA"; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time

the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Illinois law.

B. Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized

under Illinois law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.

C. With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Illinois law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – DEFENSE COSTS

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK COVERAGE PART

A. The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:

1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
2. Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
3. Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
4. Section **A.** Coverage under the Legal Liability

Coverage Form; and

5. Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

- B.** If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

- A. The CANCELLATION Common Policy Conditions –Deluxe is replaced by the following:**

CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy by mailing written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
3. If this policy has been in effect for more than 60 days, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You have violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 60 days before the effective date of

cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, together with our reason for cancellation, at your last mailing address known to us. Proof of mailing will be sufficient proof of notice.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known, and to the mortgagee or lienholder listed on the policy.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
8. **REAL PROPERTY OTHER THAN RESIDENTIAL PROPERTIES OCCUPIED BY FOUR FAMILIES OR LESS**

The following applies only if this policy covers real property other than residential property occupied by four families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation, by both certified and regular mail, if:

 - a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
 - b. The building has been unoccupied 60 or more consecutive days. This does not apply to:

- (1) Seasonal unoccupancy; or
 - (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
- (1) An outstanding order to vacate;
 - (2) An outstanding demolition order; or
 - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will terminate 10 days following receipt of the written notice by the named insured(s).

9. RESIDENTIAL PROPERTIES OCCUPIED BY FOUR FAMILIES OR LESS

The following applies if this policy covers residential properties occupied by four families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at least 30 days before the effective date of cancellation. When cancellation is for nonpayment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

10. For insurance provided under the DELUXE PROPERTY COVERAGE PART, the following applies:

GRAIN IN PUBLIC GRAIN WAREHOUSES

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
 - b. The Director of the Illinois Department of Agriculture (at its Springfield Office);
- 60 days' written notice of cancellation.

B. The following is added:

NONRENEWAL

- 1. If we decide not to renew or continue this policy, we will mail you written notice, stating the reason for nonrenewal. Proof of mailing will be sufficient proof of notice.
- 2. Except as provided in Paragraph 6. below, we will mail you notice of nonrenewal at least 60 days before the end of the policy period.
- 3. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- 4. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
- 5. The following provision applies to policies other than those described in Paragraph 6.:
Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and the mortgagee or lienholder listed on the policy.
- 6. The following provision applies only if this policy covers residential properties occupied by four families or less:
 - a. If this policy has been issued to you and in effect with us for five or more years, we may not fail to renew this policy unless:
 - (1) The policy was obtained by misrepresentation or fraud and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above.
 - (2) The risk originally accepted has measurably increased and we mail you notice of nonrenewal at least 30 days before the end of the policy period as provided in 1. above; or
 - (3) You received 60 days' notice of our intent not to renew as provided in 1. above.

- b. If this policy has been issued to you and in effect with us for less than five years, we may not fail to renew this policy unless you received 30 days' notice as provided in 1. above.
- c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known, and to the last known mortgagee or lienholder.
- d. The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

A. The following is added to the **Legal Action Against Us Condition:**

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

B. If this policy covers:

1. The following in a. and b., then Paragraphs 2. and 3. apply:

- a.** Real property used principally for residential purposes up to and including a four family dwelling; or
- b.** Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.

2. The second paragraph of the **Appraisal Condition is deleted and replaced by the following:**

- a.** Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in **b.** below.
- b.** We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1)** You demanded the appraisal; and
 - (2)** The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud Condition is replaced by the following:**

Concealment, Misrepresentation, Or Fraud

- a.** This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1)** Was made with actual intent to deceive; or
- (2)** Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

- b.** We do not provide coverage under this Coverage Part or Coverage Form to you or any other insured ("insured"), who at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1)** This Coverage Part or Coverage Form;
- (2)** The Covered Property;
- (3)** Your interest in the Covered Property; or
- (4)** A claim under this Coverage Part or Coverage Form.

- c.** Notwithstanding the limitations stated in **3.a.** above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

C. The **Special Exclusion, 4.c.(1)(a), Electronic Data Processing Equipment and Data Processing Data and Media, is deleted and replaced by the following:**

- (a)** Programming errors or incorrect instructions to the machine.

D. The **Intentional Loss Exclusion is deleted and replaced by the following:**

- 1.** We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
 - a. The loss arose out of a pattern of criminal domestic violence; and
 - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
3. If we pay a claim pursuant to Paragraph **D.2.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

- E. The **Electrical Damage or Disturbance** Exclusion is deleted and replaced by the following:

We will not pay for loss or damage caused by or resulting from artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media".

POLICYHOLDER NOTICES



POLICYHOLDER NOTICES

**IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER
COMPENSATION**

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

IMPORTANT NOTICE – COMPLAINTS – ILLINOIS

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If you are having problems you may contact your insurance agent directly or you may contact the company at:

Mail: Consumer Affairs
One Tower Square
Hartford, CT 06183

Phone: (860) 277-1561 or

Email: consumeraffairs@travelers.com

The address of the consumer complaint division of the Illinois Department of Insurance is:

Illinois Department of Insurance
Consumer Division
320 W Washington St
Springfield, IL 62767

Complaints may also be filed electronically to the Illinois Department of Insurance at <https://insurance.illinois.gov/applications/ComplaintForms/default.aspx>

IMPORTANT NOTICE – RELIGIOUS FREEDOM PROTECTION AND CIVIL UNION ACT – ILLINOIS

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

The Illinois Religious Freedom Protection and Civil Union Act provides that persons of the same or opposite sex who enter into a civil union must be afforded the same obligations, protections, and legal rights as married persons. This law became effective June 1, 2011, and is designed to ensure that civil unions and marriage are treated identically under Illinois law. In accordance with law, this policy will be interpreted to provide the same benefits and protections to persons in a civil union or in a marriage.

To Our Valued Customer,

Each year, homeowners and business owners across the nation sustain significant weather-related property damage due to floods. These can include losses caused by waves, tidal waters, the overflow of a body of water, the rapid accumulation or runoff of surface water, and mudslide. In nearly all cases, these flood losses cannot be prevented or even anticipated. And, in many instances, the losses are devastating.

Most standard property insurance policies, including most of our policies, do not provide coverage for flood losses. While flood coverage is often available – primarily through the National Flood Insurance Program – it is rarely purchased. Unfortunately, each year we find that some policyholders are surprised and disappointed to learn that damages they have suffered as a direct result of flood are not covered under the policies they have purchased.

Please review your insurance coverage with your agent or Company representative. As you consider the need for flood insurance, keep in mind that floods can, and do, occur in locations all over the country. They are not limited to coastal areas or locations with nearby rivers or streams. Several inches of rain falling over a short period of time can cause flood damage, even in normally dry areas that are not prone to flooding.

For further information about Flood Insurance, contact your agent or company representative, or contact the National Flood Insurance Program directly.



NOTICE TO POLICYHOLDERS JURISDICTIONAL INSPECTIONS

Dear Policyholder;

Many states and some cities issue certificates permitting the continued operation of certain equipment such as boilers, water heaters, pressure vessels, etc. Periodic inspections are normally required to renew these certificates. In most jurisdictions, insurance company employees who have been licensed are authorized to perform these inspections.

If:

- You own or operate equipment that requires a certificate from a state or city to operate legally, and
- We insure that equipment under this Policy, and
- You would like us to perform the next required inspection;

Then;

Call this toll-free number – **1-800-425-4119**

When you call this number, our representative will ask you for the following information:

- Name of your business (as shown on this Policy)
- Policy Number
- Location where the equipment is located. Including Zip Code.
- Person to contact and phone number for scheduling of inspection
- Type of equipment requiring inspection
- Certificate inspection date and certificate number

Or;

Fill in the form on the reverse side of this notice and fax it to the toll-free number indicated on that form.

Please note the following:

- Your jurisdiction may charge you a fee for renewing a certificate. It is your responsibility to pay such a fee.
- All the provisions of the INSPECTIONS AND SURVEYS Condition apply to the inspections described in this notice.

REMINDER

If new equipment is installed or old equipment replaced that requires a jurisdictional inspection please let us know by calling our toll-free number listed above.

REQUEST FOR JURISDICTIONAL INSPECTION

Name of
Business: _____
(As Shown on Policy)

Policy
Number: _____

Location of Equipment:

City _____ State _____ Zip Code _____

Person to Contact for Scheduling Inspection: _____

Telephone Number of Person to Contact: _____

| Equipment Type | Certificate Number | Certificate Expiration Date |
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Fax Form to 1-877-764-9535

Completed by: _____ Phone Number: _____

ClassAction.org

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